



NEW APPLICATION



0000094894

Arizona Department of Transportation

Intermodal Transportation Division

206 South Seventeenth Avenue Phoenix, Arizona 85007-3213

Janice K. Brewer
Governor

John S. Halikowski
Director

Arizona Corporation Commission
Office of Railroad Safety
Attn: Chris Watson
1200 W Washington Street
Phoenix, AZ 85007

March 17, 2009
Arizona Corporation Commission
DOCKETED

MAR 19 2009

DOCKETED BY	nr
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Floyd Roehrich Jr.
State Engineer

AZ CORP COMMISSION
DOCKET CONTROL

2009 MAR 19 P 12:59

RECEIVED

RE: Application to install a new grade separated crossing and remove an existing public at-grade crossing

Project: Twin Peaks Traffic Interchange

Federal Project # 010-D(AIW)

ADOT Tracs # 010 PM 240 H5838 01C

Remove crossing AAR/DOT # 741 097U

Install new overpass crossing AAR/DOT # 924 115 X

RR-03639A-09-0136

Mr. Watson,

This application is being submitted to allow the Arizona Department of Transportation (ADOT) to construct and maintain a new grade separated structure and to allow the Union Pacific Railroad (UPRR) to remove an existing at-grade public crossing in the town of Marana, Arizona. UPRR recently received an Opinion and Order to modify the Camino de Manana crossing (Docket RR-03639A-08-0036). Information in the Opinion and Order was incorporated into this submittal (UPRR application)

1. Project Location and Description

The Twin Peaks traffic interchange project is located approximately 1,200 feet northwest of the existing Camino De Manana at-grade crossing, AAR/DOT# 741 097 U. The entire project is located in Marana, Arizona.

The project consists of building a 4 to 6 lane roadway from the end of the existing Twin Peaks road, West of the Santa Cruz River, to Linda Vista Road, East of the existing UPRR right of way and I-10. This new roadway will provide an all weather crossing of the Santa Cruz River, a fully functional traffic interchange with the I-10 consisting of frontage roads and access to/from the I-10 from Twin Peaks road and a grade separated crossing of the Union Pacific Railroad right of way.

This project will also remove the existing Camino De Manana at-grade crossing. This new roadway will also provide multi-use pathways along its entire path. The new grade separated crossing will have an AAR/DOT #924 115 X.

The existing public crossing is under the jurisdiction of the Town of Marana. A copy of a town resolution allowing removal of the crossing has been included in this application.

A project website is available. Overhead and 3D maps will help make the project clearer. Please visit: www.twinpeaksi-10.com; Click on project documents and click on both map links.

2. Why the crossing is needed

Based on the *I-10 General Plan, Ruthrauff Road to Tangerine Road, (1993)* and the *Marana Master Transportation Plan (1989)*, a new traffic interchange was anticipated in the area of Twin Peaks Road. This plan also called for the new traffic interchange to be grade separated as there was only 1 other grade separated crossing in the corridor at Orange Road.

3. Construction Phasing

Construction is expected to start by the Spring of 2009. The road and bridge construction from Twin Peaks Road, over the Santa Cruz River and tying into I-10 will occur first. Approximately 1 year into the project, the railroad overpass work will start. At this time, the I-10 west bound frontage road will be closed to the general public, as well as access to the Camino De Manana at-grade railroad crossing. Construction traffic will continue to use the at-grade crossing until the overpass is completed. Once the overpass is completed and in service, the at-grade crossing can be removed. Our contractor will coordinate with the UPRR to use the crossing.

4. Maintenance of the grade separated overpass

ADOT will be responsible for constructing and maintaining the Twin Peaks overpass over the UPRR tracks. UPRR will be responsible for removing the at-grade crossing and maintaining their infrastructure.

5. Project Funding

The project is funded by the Federal Highway Administration, the Town of Marana, Pima Association of Government and ADOT. Per 23 CFR 646.210, this project will also involve funding from the UPRR as the at-grade crossing is being removed. A contract for construction of the entire project has been awarded for approximately \$51 million dollars.

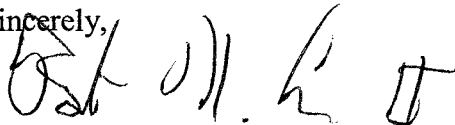
The Railroad portion of this cost is \$79,000 to relocate signal lines and \$22,000 for removal of the Camino De Manana crossing. UPRR is contributing \$657,488 to the project.

6. Other information (based on typical Staff Data Requests):

- CW1-1 Current ADT is estimated at 1,670. Year 2030 projected ADT is 28,900 for the Twin Peaks portion of railroad overpass
- CW1-2 Current LOS is calculated as A.
- CW1-3 A copy of the 2005 "Traffic Report for I-10 Interchange with Twin Peaks/Linda Vista Rd" will be provided with this submittal
- CW1-4 Population of Marana is 33,000 according to 2006 Census Bureau
- CW1-5 Camino de Manana at-grade crossing is currently protected by flashing lights and gates. UPRR has received an Opinion and order to modify the crossing by installing a second mainline track and relocating the signals.
- CW1-6 The nearest public crossings of the UPRR is Tangerine Farm Road (DOT # 741 088 V), approximately 7 miles to the NW and is at-grade. Cortaro Farm Road (DOT # 741 098 B), approximately 1 ½ miles SE and is at-grade.
- CW1-7 Crossing is being grade separated. Does not apply
- CW1-8 Cost of Entire project provided above.
- CW1-9 Surrounding area is zoned for commercial Corridor in the immediate vicinity of the crossing. Areas to the East of the crossing are zoned for low density housing.
- CW1-10 Per UPRR application, 46 freight and 2 passenger trains per day. UPRR expects 84 trains per day by 2016. All train movements are thru movements.
- CW1-11 Crossing is in the Marana Unified School District. Our traffic report identifies the new grade separated crossing could be used by high school student traffic instead of the existing Cortaro Farm at-grade crossing.

- CW1-12 Per UPRR application, no school buses use the existing at-grade crossing.
- CW1-13 Northwest Medical Center is located SE of the crossing. In early project scoping, this hospital asked for a grade separated crossing to reduce the chance of patient transport being delayed by train traffic. The current crossing is not extensively used by emergency services.
- CW1-14 UPRR costs are detailed above.
- CW1-15 It is not known how much hazardous materials traffic uses the existing crossing each day.
- CW1-16 Per UPRR application, Camino De Manana has a posted speed limit of 45 mph.
- CW1-17 It is unknown if any buses use the existing crossing.
- CW1-18 Unknown if railroad spurs have been removed within a 10 mile radius.
- CW1-19 Does not apply. This crossing will be grade separated.
- CW1-20 Does not apply. This crossing will be grade separated.

Sincerely,



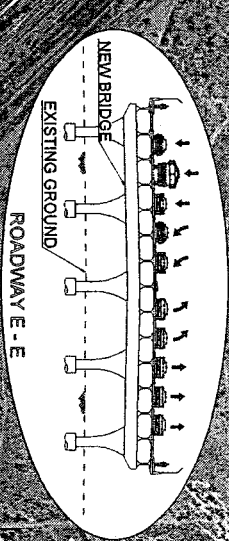
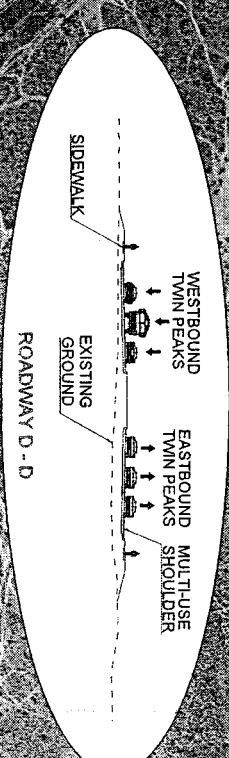
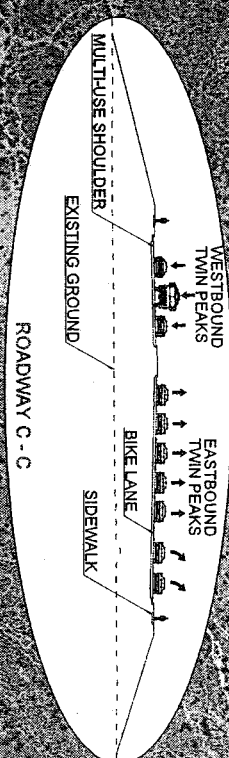
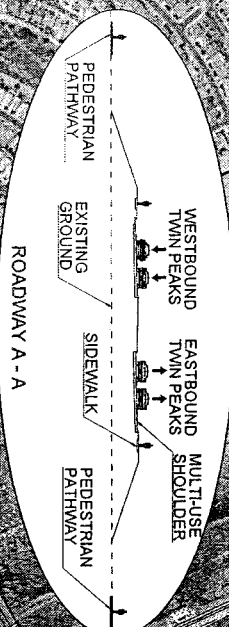
Robert Travis, PE
State Railroad Liaison
Arizona Department of Transportation
205 S 17th Ave, Room 357
MD 618E
Phoenix, AZ 85007
602-712-6193 602-712-3229 fax
rtravis@azdot.gov

cc: Keith Braun, Town of Marana Engineer
Aziz Aman, Union Pacific Railroad
Steven Wilson, Arizona DOT
file

← E102

4-110 Traffic Interchange at Twin Peaks

UPRRL
New Grade
Separated
Crossing
↑



3-17-2004

Twin Peaks T1 Project
→ Tucson

MARANA RESOLUTION NO. 2008-123

RELATING TO REAL ESTATE; VACATING A PORTION OF THE PUBLIC RIGHT-OF-WAY OF CAMINO DE MAÑANA THAT CROSSES THE UNION PACIFIC RAILROAD PROPERTY; AND DECLARING AN EMERGENCY.

WHEREAS the Town of Marana's construction of the new I-10 Twin Peaks Traffic Interchange will include a grade-separated railroad crossing, which will supplant the need for the existing at-grade Camino de Mañana railroad crossing; and

WHEREAS the design of the I-10 Twin Peaks Traffic Interchange requires the closure of the existing Camino de Mañana/northbound I-10 frontage road intersection and the at-grade Camino de Mañana railroad crossing that leads to that intersection; and

WHEREAS the closure of the existing at-grade Camino de Mañana railroad crossing will result in a contribution of approximately \$657,488 from Union Pacific Railroad toward the construction of the I-10 Twin Peaks Traffic Interchange; and

WHEREAS the Town of Marana is authorized by A.R.S. §§ 9-240(B)(3)(e) and 28-7205 to vacate and abandon Town roadways; and

WHEREAS the Town Council finds that the Town is receiving appropriate consideration for the vacated right-of-way for purposes of A.R.S. § 28-7208 based on Union Pacific Railroad's contribution to the I-10 Twin Peaks Traffic Interchange construction cost and the limited marketability of the narrow strip of land being vacated, which crosses the Union Pacific Railroad mainline; and

WHEREAS the Town Council finds that the safety provided by the new I-10 Twin Peaks Traffic Interchange and its grade separation with the railroad far outweighs the convenience provided by keeping the existing Camino de Mañana at-grade crossing in place; and

WHEREAS the Town Council finds that this resolution is in the best interests of the Town and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, AS FOLLOWS:

SECTION 1. The Town of Marana hereby vacates and abandons that portion of the public right-of-way of Camino de Mañana that crosses the Union Pacific Railroad property as particularly described and depicted in Exhibits A and A1 attached to and incorporated into this

resolution by this reference, subject to and upon satisfaction of Section 2 of this resolution, with transfer of title occurring when the Town Engineer executes a quit-claim deed of abandonment pursuant to Section 3 of this resolution.

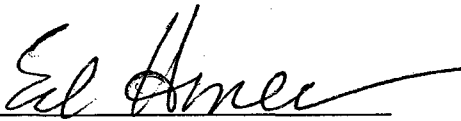
SECTION 2. The existing at-grade Camino de Mañana railroad crossing shall not be closed and the Town Engineer shall not execute a quit-claim deed of abandonment until the Town Engineer determines that the I-10 Twin Peaks Traffic Interchange project has progressed to the point that neither public nor construction access is needed or desirable over the existing at-grade Camino de Mañana railroad crossing.

SECTION 3. Subject to and upon satisfaction of Section 2 of this resolution, the Town Engineer is hereby authorized to execute a quit-claim deed of abandonment in favor of Union Pacific Railroad, evidencing the transfer of title to the vacated and abandoned right-of-way in accordance with the requirements of A.R.S. § 28-7205.

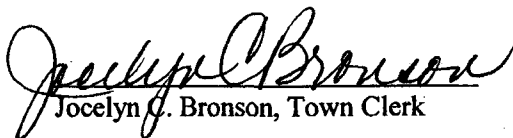
SECTION 4. The Town's Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out this resolution.

SECTION 5. It is necessary for the preservation of the peace, health and safety of the Town of Marana that this resolution become immediately effective, so an emergency is hereby declared to exist and this resolution shall be effective immediately upon its passage and adoption.

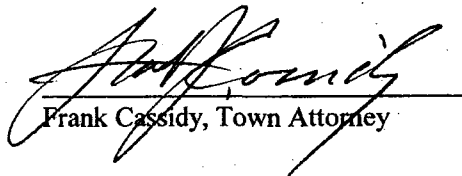
PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, this 16th day of September, 2008.


Mayor Ed Honea

ATTEST:


Jocelyn C. Bronson, Town Clerk

APPROVED AS TO FORM:


Frank Cassidy, Town Attorney



URS

**LEGAL DESCRIPTION FOR
ABANDONMENT PARCEL**

That portion of the Northwest quarter of Section 22, Township 12 South, Range 12 East, of the Gila and Salt River Meridian, Pima County, Arizona, being more particularly described as follows:

COMMENCING at the Northwest corner of said Section 22 (rebar with cap) from which the North quarter corner of said Section 22 (railroad spike) bears North 89°34'30" East, 2639.76 feet;

thence North 89°34'30" East, 1245.91 feet along the North line of said Section 22 to the westerly right of way of the Union Pacific Railroad;

thence departing said North line South 35°02'38" East, 1971.77 feet along said westerly right of way to the POINT OF BEGINNING;

thence departing said westerly right of way North 54°57'22" East, 200.00 feet to the easterly right of way of the Union Pacific Railroad;

thence South 35°02'38" East, 60.00 feet along said easterly right of way;

thence departing said easterly right of way South 54°57'22" West, 180.00 feet;

thence North 35°02'38" West, 33.00 feet;

thence South 54°57'22" West, 20.00 feet to said westerly right of way of the Union Pacific Railroad;

thence North 35°02'38" West, 27.00 feet along said westerly right of way to the POINT OF BEGINNING.

Said parcel contains 11,340 square feet or 0.2603 acres more or less.

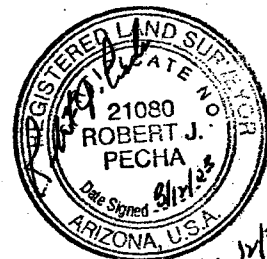
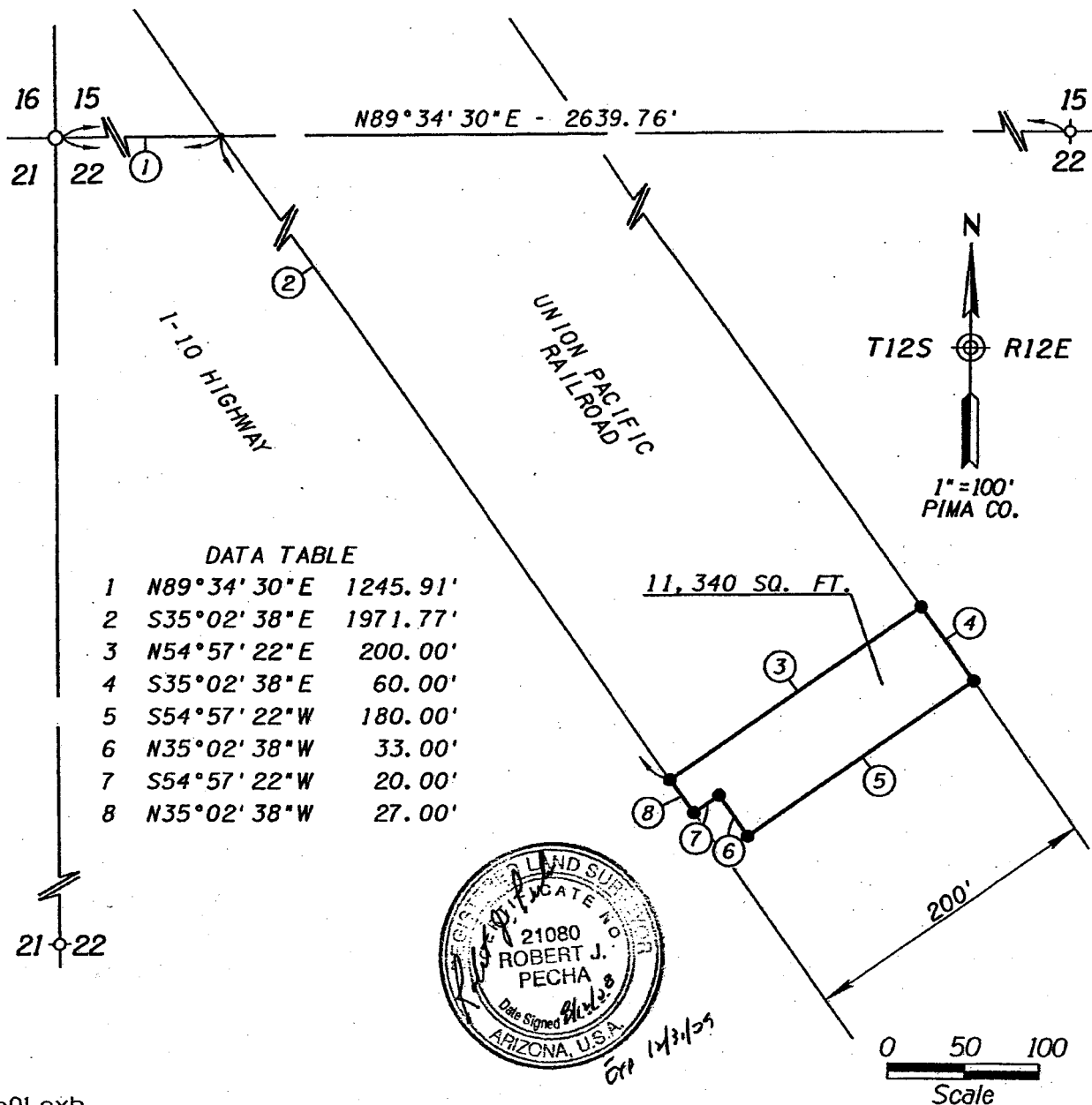


EXHIBIT A1 ABANDONMENT PARCEL



URS

7720 North 16th Street
Suite 100 - Phoenix, AZ
85020 - 602.371.1100

TWIN PEAKS
UNION PACIFIC RAILROAD

ADOT ORIGINAL

A. G. CONTRACT NO. P001- 2008-003701

ARIZONA DEPARTMENT OF TRANSPORTATION

UTILITY AND RAILROAD ENGINEERING SECTION

RAILROAD AGREEMENT

BETWEEN

**THE STATE OF ARIZONA
DEPARTMENT OF TRANSPORTATION**

AND

UNION PACIFIC RAILROAD COMPANY

AGREEMENT NO. 3037-07-UPRR
CONSTRUCTION TRACS NO. 010 PM 240 H5838 01C
CONSTRUCTION PROJECT NO. 010-D(AIW)
FEDERAL AID PROJECT NO. NH 010-D (AIW)
HIGHWAY: CASA GRANDE – TUCSON HIGHWAY
LOCATION: TWIN PEAKS TRAFFIC INTERCHANGE
UPRR MP 970.18 ON UPRR'S GILA SUBDIVISION
STRUCTURE AAR/DOT # 924 115 X
REMOVAL OF CROSSING AAR/DOT # 741 097 U
UPRR FOLDER NO. 2488-96

ADOT ORIGINAL

Agreement 3037-07-UPRR
UPRR Folder Number 2488-96

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Exhibit A	Summary Of Costs To Be Paid By ADOT Thru This AGREEMENT
Exhibit A-1	Plan Of Work To Be Completed By UPRR
Exhibit B	Easement Drawing
Exhibit C	Legal Description
Exhibit D	Form Of The Highway Grant From UPRR To STATE
Exhibit E	Plan & Profile Of The STRUCTURE
Exhibit F	Print Showing Theoretical Structure
Exhibit G	UPRR Cost Share Estimate
Exhibit H	UPRR Minimum Construction Requirements
Exhibit I	Existing Crossing Removal Notification

THIS AGREEMENT made this 19th day of August, 2008, between the UNION PACIFIC RAILROAD COMPANY, a Delaware corporation, hereinafter called, "UPRR", and the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION, hereinafter referred to as "STATE".

PREAMBLE RECITALS:

- A. UPRR owns and operates a line of railroad known as its Gila Subdivision in and through the County of Pima, near the Town of Marana, Arizona.
- B. STATE proposes to construct a new Highway Overpass STRUCTURE (as defined below), approximately midway between the existing I-10 interchanges at Avra Valley Road at Highway MP 243.49 and Cortaro Road at Highway MP 246.56 (approximately at Highway MP 245.00). STRUCTURE will be located near UPRR milepost 970.18 and have an AAR/DOT# 924 115 X. PROJECT will also remove and permanently close the CROSSING as defined below. The parties hereto desire to express in writing their understanding and agreement with respect to responsibilities for the construction and maintenance of the STRUCTURE and facilities affected by the PROJECT and pursuant to which the connecting roadways and other improvements are to be constructed and maintained, and the permanent closure of the CROSSING.
- C. The plan and profile of the STRUCTURE are marked as **Exhibit E**.
- D. All lettered exhibits are incorporated and made a part of this AGREEMENT by reference and attachment regardless of designation or alphabetical order.

AGREEMENT:

NOW, THEREFORE, IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

ARTICLE I

DEFINITIONS:

- A. AGREEMENT means this specific AGREEMENT with all attached exhibits together with all attachments incorporated by reference. The STATE AGREEMENT NUMBER for this PROJECT is 3037-07-UPRR.
- B. CONSTRUCTION PROJECT NUMBER means the roadway construction project number utilized for STATE's construction project, 010-D(AIW).
- C. CONSTRUCTION TRACS NUMBER means STATE's utility relocation accounting number utilized for UPRR's relocation work, which is 010 PM 240 H5838 01C.
- D. CONTROLLED ACCESS means locations where owners or occupants of abutting lands and other persons have no legal right of access, e.g., freeway lanes and freeway ramps.

- E. COST ACCUMULATION NUMBER means a unique UPRR cost accrual number of all costs incurred by UPRR in connection with RAILROAD WORK performed by UPRR in connection with the PROJECT.
- F. CROSSING means the existing at-grade public road crossing for Camino De Manana Street located approximately 1,250 feet southeast of the proposed STRUCTURE at UPRR Milepost 970.23, AAR/DOT # 741 097 U
- G. EMERGENCY WORK by UPRR means work of an immediate nature required to maintain the integrity of rail service, restore railroad operations or for the protection of persons or UPRR property.
- H. ORIGINAL EASEMENT AGREEMENT could not be found for the CROSSING.
- I. PLANS means (i) the final one hundred percent (100%) completed PROJECT plans and specifications affecting and pertaining to UPRR tracks and right of way prepared by STATE and identified with STATE's CONSTRUCTION PROJECT NUMBER that have been approved, as to UPRR involvement activity, in writing by UPRR's Assistant Vice President Engineering-Design, or his authorized representative and (ii) UPRR's Minimum Construction Requirements (see **Exhibit H**).
- J. PROJECT means all work of every kind and character required in connection with all construction of the Twin Peaks Traffic Interchange (T.I.) where it crosses over UPRR railroad facilities. The PROJECT includes, but is not limited to, any and all roadway improvements, changes to railroad safety devices and appurtenances, communication lines, signal and electrical lines and appurtenances, grading, both temporary and permanent drainage facilities, irrigation facilities, signing and striping, modification to utilities, right of way acquisition, preliminary and construction engineering, contract preparation, cuts, fills, highway pavement, retaining walls and all highway facilities at the locations shown on STATE's PROJECT PLANS and specifications included herein by reference only.
- K. RAILROAD WORK means the work to be performed by UPRR, at STATE's or STATE'S CONTRACTOR'S expense, which is described in the **Exhibit A**. The RAILROAD WORK shall include any work performed by UPRR or its contractors and agents, including, without limitation, any pre-engineering or preliminary review of Plans, engineering, management, administration, design, review or preparation of plans and specifications, inspection and construction labor, materials and equipment as set forth in the AGREEMENT, including approved changes in scope. Work for flagging protection shall be billed directly to STATE's Contractor who will apply for right of entry as directed in the PROJECT PLANS. For this PROJECT, the RAILROAD WORK involves flagging, preliminary review of Plans, PROJECT inspection, removal of CROSSING upon completion of STRUCTURE, and undergrounding existing communication line.
- L. STRUCTURE means the new Twin Peaks T.I. that will carry vehicular traffic over UPRR's trackage and right of way at UPRR Milepost 970.18 on UPRR's Gila Subdivision and will be identified by AAR/DOT # 924 115 X. The design will be detailed in the PLANS.
- M. WORK means the work to be performed by STATE's Contractor and agents within UPRR's right of way in accordance with the PROJECT PLANS. WORK shall

include engineering, management, administration, design, and construction labor, including approved changes in scope.

- N. WORK ORDER NUMBER means a unique UPRR cost accrual number of all costs incurred by UPRR in connection with RAILROAD WORK performed by UPRR in connection with the PROJECT.

ARTICLE II

IN CONSIDERATION of the covenants of STATE hereinafter set forth, and the faithful performance thereof, UPRR, at STATE's expense, agrees as follows:

1. For and in consideration of a one-time total amount of Twenty-One Thousand, Nine Hundred Dollars (\$21,900) to be paid by STATE to UPRR upon the execution and delivery of this Agreement, UPRR shall execute and deliver to STATE a Highway Grant in the form marked **Exhibit D**, whereby UPRR hereby grants to STATE the right to construct, use, maintain, repair, renew and reconstruct the STRUCTURE over the portions of UPRR's property shown and described in the legal descriptions marked **EXHIBIT C**.
2. To furnish the RAILROAD WORK with its own employees working under Railroad Labor Agreements or by contractor(s), if necessary. STATE shall reimburse UPRR for any Railroad Work on an actual cost basis in accordance with **EXHIBIT A**. UPRR estimates its daily flagging rate could be approximately One Thousand Dollars (\$1000.00) per ten (10) hour day. UPRR will bill actual flagging costs based on its current flagging rates when the flagging is performed. The furnishing of such watchmen and flaggers shall be as necessary for the safety of UPRR's property and the operation of its trains during construction of the PROJECT. Payment for flagging protection will be made directly by STATE's Contractor to UPRR based on invoices to STATE's Contractor for actual work specific for flagging protection.

Construction of the PROJECT shall include the following RAILROAD WORK by UPRR.

- (a) Removal of the CROSSING
 - (b) Relocation of existing overhead communication line to underground conduit
3. If construction of the PROJECT has not commenced within three (3) years from the date of this AGREEMENT, the Highway Grant shall be rescinded and released by STATE executing and delivering to UPRR a Release and Quitclaim in recordable form. The AGREEMENT will terminate and become null and void and the \$21,900 paid by STATE for said rights shall be returned to STATE by UPRR.
 4. UPRR may submit to STATE's Contractor monthly invoices for actual flagging costs and submit to STATE monthly itemized invoices for preliminary engineering review of the PLANS and PROJECT inspection notwithstanding the fact that UPRR's preliminary engineering review has preceded the date of this Agreement. Except for the final invoice, monthly invoices shall only be submitted for costs of Five Hundred Dollars (\$500.00) or more. STATE or its Contractor shall provide written notice to the person named in Article IV, section 27, that flagging services are no longer needed. This notice shall be provided to UPRR at least five (5) days in advance of when flagging services are no longer required. UPRR shall, within one hundred and

twenty (120) days after receiving such written notice from the STATE or its contractor, submit to STATE's Contractor detailed invoices covering the actual cost of all flagging. STATE or its Contractor shall also provide written notice to the UPRR person named in Article IV, Section 27, that all work on or above UPRR's Right of Way is complete. UPRR shall then, within one hundred and twenty (120) days after receiving such notice, submit to STATE a detailed invoice covering the actual cost of performing any RAILROAD WORK, as described in Article II, Paragraph 2, including applicable taxes and standard UPRR direct and indirect overhead labor additives and subcontracting administration charges. Invoices shall include a detailed cost run summary, the appropriate AGREEMENT number, CONSTRUCTION TRACS NUMBER, and COST ACCUMULATION NUMBER OR WORK ORDER NUMBER, and shall be labeled as "Progress Invoice" or "Final Invoice", as the case may be. Final invoice will be accompanied by a detailed cost run summary. Costs shall be accumulated and invoiced in accordance with the Federal Aid Policy Guide as contained in 23 CFR 140, subpart I and 23 CFR 646, subparts A and B, which regulations are incorporated into this AGREEMENT by reference.

5. UPRR agrees to coordinate with STATE's Contractor with respect to construction schedule and work-related items for the safe and effective progress of the RAILROAD WORK. When UPRR receives an "Application For Right Of Entry" from STATE's Contractor, UPRR shall begin a dialog with STATE's Contractor to mutually schedule and coordinate their respective work. STATE's Contractor and representatives of UPRR shall meet, or communicate, on a monthly basis to review the WORK and RAILROAD WORK completed to date and together schedule future work items. UPRR shall make commercially reasonable efforts to commit labor and materials necessary to respond within thirty (30) days to work activities identified by STATE's Contractor to be initiated by UPRR; however, UPRR shall have no liability to STATE, STATE's Contractor or any other person or entity, if UPRR does not complete the RAILROAD WORK within such anticipated time frame.
6. UPRR shall be given progress copies of STATE's design plans at the 30%, 60% and 95% level along with a copy of the final PS&E submittal by STATE's Consultant. UPRR shall review such plans and provide to STATE the changes that are needed with regard to UPRR facilities. If, after review of the final PS&E submittal, UPRR sees no significant changes affecting UPRR facilities from the previous submissions UPRR shall signify by letter, addressed to STATE (see Article IV, paragraph 27), its approval of the design PLANS as to the impacts to UPRR facilities.
7. STATE confirms that all portions of the STRUCTURE that are the subject matter of this Agreement are located on UPRR's railroad right of way. STATE shall have the right to request that UPRR's Contractor, who is working or acting in an incompetent, negligent or unsafe manner while located on STATE's right of way beyond the boundaries of UPRR's railroad right of way ("Non-UPRR ROW") be removed from the Non-UPRR ROW. In the event that UPRR's Contractor elects not to honor such request, then STATE may stop such work or activity on the "Non-UPRR ROW" until the matter has been resolved to STATE's satisfaction. In the event that UPRR's Contractor elects not to honor such stop work or stop conduct request, STATE may stop the incompetent, negligent, or unsafe work or conduct occurring on the Non-UPRR ROW until the matter has been fully resolved to STATE's satisfaction. Before STATE takes action to stop work or conduct on Non-UPRR ROW, the matter will be

resolved through STATE's Engineer (if the problem occurs during the initial construction of STATE's structure) or through STATE's District Maintenance Engineer (if the problem occurs after initial construction.) STATE will make the final decision on matters involving Non-UPRR ROW. For work or conduct performed by UPRR's contractors on Non-UPRR ROW, UPRR's Contractor shall notify STATE's District Maintenance Engineer. For work performed by UPRR's Contractors on Non-UPRR ROW, UPRR's contractors shall obtain any necessary government permit(s) required for work on Non-UPRR ROW from State's District Permit Officer. The term UPRR's contractor includes the employees and subcontractors of UPRR's Contractor.

ARTICLE III

IN CONSIDERATION of the covenants of UPRR herein set forth and the faithful performance thereof, STATE, at its expense, agrees as follows:

1. To provide to UPRR the design PLANS as set forth in Article II, paragraph 6. A copy of the final PLANS are hereby adopted and incorporated into this AGREEMENT by reference. STATE agrees that neither it nor its Contractor shall commence any PROJECT work on any UPRR right of way until it has received UPRR's written approval of the PLANS. Notwithstanding UPRR's approval of the PLANS, UPRR shall not be responsible for the design, details, permitting or construction of the STRUCTURE.
2. To make application to the Arizona Corporation Commission for an order authorizing construction of the PROJECT together with a copy of this AGREEMENT.
3. To make any and all arrangements to secure the location, or relocation, of wire lines, pipe lines and other facilities owned by private persons, companies, corporations, political subdivisions or public utilities, other than UPRR, which may be found necessary to locate, or relocate, in any manner whatsoever due to the construction of the PROJECT. UPRR shall work closely with STATE design personnel to identify points of conflict between new UPRR facilities and existing utility facilities.
4. To reimburse UPRR for work of an emergency nature caused by STATE or STATE's Contractor, in connection with the PROJECT that UPRR deems is reasonably necessary for the immediate restoration of railroad operations, or for the protection of persons or UPRR property. Such work may be performed by UPRR without prior approval of STATE; however, STATE reserves the right to review the cause of said work to determine payment responsibilities. If the parties cannot agree on the responsible party for damages, the matter will be resolved through compromise, arbitration or adjudication. Pursuant to A.R.S. Section 12-1518, the parties shall use arbitration, after exhausting applicable administrative remedies, to resolve disputes arising out of this AGREEMENT where the sole relief sought is monetary damages of \$100,000.00, or less, exclusive of interest and costs.
5. To furnish all labor, materials, tools and equipment in performing the WORK and constructing the STRUCTURE in conformance with the PLANS to be performed by STATE as hereafter provided. Construction with respect to said PROJECT shall be undertaken by the STATE's Contractor and shall be performed in a manner as to

not interfere with the safe and timely operations of UPRR's locomotives, trains, cars and on-track maintenance equipment or other UPRR tracks or facilities.

6. To incorporate in each prime contract for construction of the PROJECT, or the specifications therefore, the provisions set forth in this Article II, paragraph 4, in Article III, paragraphs 3, 5, 8, 9, 10, 11, and 12, and in Article IV, paragraphs 4, 5, 7 and 8, and the provisions set forth in the Right of Entry documents, attached hereto by reference.
7. To require its Contractor(s) to notify UPRR's Manager of Track Maintenance, or designated representative at least fifteen (15) calendar days in advance of commencing work on UPRR property or near UPRR's tracks, when requesting a UPRR flagger, in accordance with the requirements of the Right of Entry documents, in order to protect UPRR from damage or interference to UPRR's trains and property.
8. To require its Contractor(s) to coordinate their work each day with UPRR's operations, prior to commencing any construction activity that may affect UPRR operations, by contacting UPRR's Manager of Track Maintenance.
9. To require its Contractor(s) to furnish UPRR's Manager-Structure Design (through UPRR's Manager - Industry and Public Projects), for approval, five (5) copies of plans and two (2) sets of calculations for any falsework, shoring or cribbing proposed to be used over, under, or adjacent to UPRR's tracks. The use of such false work, shoring or cribbing shall conform to the standard clearances required by the Commission, or UPRR, whichever is more stringent. In case the use of such shoring will impair said clearance, STATE will ensure that application is made to the Commission for approval of such impairment during the period of construction of the PROJECT. State shall ensure that it or its Contractor(s) provide such material to UPRR for approval at least thirty (30) days in advance of when the State or its contractor(s) need such approval.
10. To ensure that all existing UPRR maintenance roadways will remain open at all times during construction.
11. To include the following provisions in its contract with any Contractor performing WORK on said PROJECT:
 - a. Fiber optic cable systems owned by various telecommunication companies may cross or run parallel in UPRR's rail corridor. As provided in UPRR Contractor's Right of Entry Agreement, the Contractor shall be responsible to contact UPRR and/or the telecommunications companies to determine whether there are any fiber optic cable systems located within the PROJECT boundaries that could be damaged, or their service disrupted, due to the construction of the PROJECT. The Contractor shall also pothole all lines, either shown on the PLANS or marked in the field, in order to verify their locations. The Contractor shall also use all reasonable methods when working in the UPRR rail corridor to determine if any other fiber optic lines may exist.
 - b. Failure to notify, pothole or identify these lines shall be sufficient cause for STATE's Engineer to stop construction at no cost to STATE or UPRR until these items are completed. Costs for repairs and loss of revenues and profits due to damage to these facilities through negligent acts by the Contractor shall be the

Agreement 3037-07-UPRR
UPRR Folder Number 2488-96

sole responsibility of the Contractor. The Contractor shall indemnify and hold STATE and UPRR harmless against and from all cost, liability and expense arising out of, or in any way attributed to, these negligent acts of the Contractor.

- c. The telecommunication companies, at STATE'S expense, if prior rights are demonstrated, shall be responsible for the rearrangement of any facilities determined to interfere with the construction. The Contractor shall cooperate fully with any company performing these rearrangements.
 - d. All work performed within the limits of UPRR's right of way shall be performed in a good and workmanlike manner, and in accordance with the PLANS. Any changes to the PLANS affecting any part of UPRR's right of way and operations including, but not limited to, clearances, additional excavations and drainage must have the prior written approval of UPRR.
 - e. No work, including the construction of this PROJECT and/or any subsequent maintenance, shall be commenced within UPRR's right of way until each of the prime Contractors employed by STATE in connection with said WORK shall have executed and delivered to UPRR the Contractor's Right of Entry documents and secured UPRR's approval of the required insurance and endorsements. Work by STATE's personnel shall follow guidelines established in Article IV, paragraph 11. Each prime contractor shall confirm in writing to STATE and UPRR that it is liable for all acts or omissions of its subcontractors and that all insurance carried by the prime contractor covers the acts and omissions of its subcontractors, as specified in the Contractor's Right Of Entry documents.
 - f. If STATE's Contractor defaults on its obligation under its contract with STATE for any reason, its replacement contractor shall be responsible to comply with all related obligations to UPRR, as contained in the original contract between STATE and the previous Contractor.
 - g. That UPRR shall have the right to request that any STATE Contractor, or any employee of a Contractor, who performs work within UPRR's right of way and which affects UPRR's operations or facilities, be removed from UPRR right of way for incompetence, neglect of duty, unsafe conduct or misconduct. In the event STATE or its Contractor elects not to honor such request, UPRR may stop work within its right of way until the matter has been fully resolved to UPRR's satisfaction. Before such action is taken the matter will be resolved through the UPRR Manager of Track Maintenance, or designated representative, if the problem occurs during the initial construction or during a subsequent maintenance effort. UPRR shall make the final decision on this matter.
 - h. STATE's agents, contractors, representatives and invitees shall comply with the safety requirements set forth in UPRR's Contractor's Right of Entry Agreement.
12. To supervise, at its expense, the operations of all STATE's Contractors through the use of inspectors who are qualified to inspect the type of work being performed. Furthermore, if at any time during construction, UPRR discovers that any STATE inspection personnel are not properly inspecting the construction of UPRR facilities, UPRR shall have the right to request STATE to arrange for the immediate replacement of the inspection personnel who are not performing proper inspections. The responsibility of STATE for safe conduct and adequate policing and supervision

of the PROJECT shall not be lessened or otherwise affected by UPRR's approval of the PLANS or by UPRR's collaboration in performance of any work, or by the presence at the work site of UPRR's representatives, or by compliance by STATE with any requests or recommendations made by such representatives. If a representative of UPRR is assigned to the PROJECT, STATE will give due consideration to suggestions and recommendations made by such representative for the safety and protection of UPRR's property and operations.

13. To allow UPRR, if necessary, to temporarily suspend RAILROAD WORK activity on the PROJECT to attend to work of an emergency nature elsewhere in the region. UPRR will not be subject to penalties as a result of such delays. Despite any such delay, UPRR shall work as expeditiously as possible under the circumstances to complete the RAILROAD WORK.
14. To pay UPRR for any flagging invoices not paid by any STATE contractors within ninety (90) days of its receipt of billing, subject to STATE review of construction accounts to prevent double billing.
15. To allow UPRR to include a charge, at the time of billing, equal to the amount allowed by 23 CFR 140 Subpart I, to cover the cost of labor additives and other benefits identified in the Federal audit of UPRR charges and fees currently approved. Such charge shall be considered a portion of the actual cost of the RAILROAD WORK. STATE acknowledges that it can elect, under 23 CFR 140 Subpart I, to reimburse UPRR for all indirect overhead labor and construction costs, using UPRR's standard additive rates, and STATE agrees to do so.

ARTICLE IV

IN CONSIDERATION of the premises, the parties mutually agree as follows:

1. That all WORK contemplated in this AGREEMENT shall be performed in a good and workmanlike manner in accordance with the PLANS. Each portion shall be promptly commenced by the parties hereto obligated to do the same and thereafter diligently prosecuted to conclusion in its logical order and sequence. Furthermore, any changes, or modifications, during construction that affect the RAILROAD WORK obligated by UPRR shall be agreed to by both parties in writing and attached as an addendum to this AGREEMENT.
2. That such WORK as defined in the PLANS, specifications and this AGREEMENT is subject to the Commission's approval, with minimum clearances of not less than those specified by the Arizona Corporation Commission, or as otherwise authorized by the Arizona Corporation Commission for UPRR's tracks at this location. It is expressly understood and agreed that STATE's Contractor shall store all construction material and equipment off of UPRR's right of way and when performing any work on any UPRR right of way such materials and equipment shall be at least twenty-five feet (25') from the centerline of UPRR's nearest track.
3. In the event of an unforeseen railroad emergency, UPRR reserves the right to reallocate all or a portion of its labor forces assigned to perform the RAILROAD WORK when UPRR believes such reallocation is necessary to provide for the

immediate restoration of railroad operations of UPRR, or its affiliates, or to protect persons or property on or near any UPRR-owned property or any related railroad. UPRR will reassign such labor forces to again perform the RAILROAD WORK when, in its sole, but good faith opinion, such emergency condition no longer exists. UPRR will not be liable for any additional costs or expenses of the PROJECT resulting from any such reallocation of its labor forces. The parties further agree that such reallocation of labor forces by UPRR and any direct, or indirect, results of such reallocation will not constitute a breach of this AGREEMENT by UPRR.

4. STATE's Contractor shall conduct its WORK in a safe and orderly manner and according to the PLANS and specifications. STATE's Contractor shall at no time hinder the safe operation of UPRR facilities, nor shall it allow the UPRR-required insurance to lapse at any time. If any STATE Contractor shall prosecute the PROJECT WORK in a manner that UPRR deems to be hazardous to its property, facilities or the safe and expeditious movement of its traffic, or if the insurance described in the Right of Entry documents shall be canceled during the course of the PROJECT, UPRR shall have the right to stop the WORK within UPRR right of way until the acts or omissions of such STATE Contractor have been fully rectified to the satisfaction of UPRR's Manager - Industry & Public Projects, or additional insurance has been delivered to and accepted by UPRR. Such work stoppage shall not give rise to, or impose upon UPRR, any liability to STATE. In the event that UPRR shall desire to stop work in UPRR right of way, UPRR agrees to give immediate notice thereof to the STATE's Engineer in an attempt to correct any deficiency.
5. During the construction of the PROJECT STATE's Contractor will not deposit any material, equipment or debris onto UPRR property that, in the opinion of UPRR, would hinder railroad operation or be unsafe to railroad operations. Contractor will not store material within UPRR's right of way. When Contractor personnel and equipment are not working, they shall be at least twenty-five (25) feet from the centerline of the nearest track.
6. All expenses incurred by UPRR and billed to the STATE or Contractor pursuant to Article II, paragraph 3, hereof, shall be in accordance with, and subject to the terms and provisions of 23 CFR 140 Subpart I, as amended or revised. STATE agrees to reimburse costs of all of UPRR's RAILROAD WORK as described in Article II, paragraph 3, hereof, notwithstanding the fact that such work has preceded the date of this AGREEMENT. STATE shall have the right to audit UPRR's costs, including any changes approved by STATE and UPRR.
7. UPRR's Manager - Industry and Public Projects will be given a Notice To Proceed when the Opinion and Order has returned from the Arizona Corporation Commission. The construction of the PROJECT, on UPRR right of way, shall not be commenced until STATE's Contractor shall have given not less than thirty (30) working days' prior written notice to UPRR's Manager - Industry and Public Projects, making reference to UPRR's file number 2488-96, which notice shall state the time that operations for construction of the PROJECT, on UPRR right of way, shall commence.
8. All utility crossings within the limits of the Permanent Easement will be covered by separate agreements between UPRR and each of the owners of the utilities. No

highway drainage outfall points will discharge onto UPRR property, except as shown on the approved PLANS.

9. Upon completion of the RAILROAD WORK, STATE will notify UPRR's Manager Public Projects in writing that final invoices must be submitted within 120 days. After completion of the construction of said PROJECT as herein described:
 - a. UPRR will, at its sole cost and expense, maintain, repair, renew, and reconstruct its roadbed, track, and all other railroad facilities;
 - b. STATE will own and, at its sole cost and expense, maintain, repair, renew and reconstruct, the STRUCTURE, lighting, roadway drainage facilities, roadway approaches, and all appurtenances, and shall be responsible for all graffiti removal.
10. That the PROJECT will result in the elimination and permanent closure of the CROSSING upon completion of the PROJECT and that the provisions of 23 CFR 646.210 are applicable. In accordance with 23 CFR 646.210(c), the STATE has estimated UPRR's required five percent (5%) share for the "Theoretical Structure" to be Six Hundred Fifty Seven Thousand Four Hundred Eighty Eight Dollars (\$657,488.00) as more particularly described in **Exhibit G**. In no event shall UPRR's obligation provided in this Section exceed \$657,488.00 without the prior written approval of UPRR's Assistant Vice President Engineer-Design or his authorized representative. During the progress of the PROJECT, if the STATE anticipates other costs that may affect the "Theoretical Structure" estimate, the STATE, as a PROJECT cost, shall prepare another estimate or supplemental estimate and submit it to UPRR for its review and approval. UPRR's contribution as set forth in this Section shall be paid to the STATE within ninety (90) days of UPRR's receipt of (i) billing from the STATE and (ii) a copy from the STATE or the Town of Marana of the Resolution passed and adopted by the Town of Marana that authorizes and directs the permanent closure of the CROSSING upon completion of the PROJECT. STATE shall submit such billing upon substantial completion of the STRUCTURE.
11. STATE shall have the right to maintain the STRUCTURE and connecting roads. If the STATE or its contractor needs to perform any maintenance or repair work that involves the side of the STRUCTURE, or below the STRUCTURE within twenty five (25) feet of any UPRR track, the STATE or its Contractor shall notify UPRR's Manager - Industry & Public Projects to obtain prior authorization. If maintenance or inspection work is contracted to a consultant or Contractor, STATE will require its consultant, or prime Contractor(s), to comply with the obligations in favor of UPRR set forth in the Right of Entry documents issued by UPRR, as may be revised from time to time. Should personnel, or equipment, performing these functions operate within twenty-five (25) feet of the track centerline, or if the equipment has the potential to foul the track, UPRR, at its election, may require flagmen to protect its operations and the safety of the personnel performing the work. The cost of flagging will be borne by the STATE, its consultant or its Contractor, as the case may be.
12. If STATE shall deem it necessary or desirable, in the future, due to traffic conditions or maintenance concerns, to alter or reconstruct the facilities herein contemplated, it may do so, the cost of which shall be paid by STATE. However, STATE, prior to

commencing any such alteration or reconstruction work, shall submit revised plans for review and approval to UPRR, and seek the execution of an addendum to this AGREEMENT or the completion of a separate agreement, if further encroachment upon UPRR's right-of-way results.

13. All the covenants and provisions of this AGREEMENT shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto, except that no party may assign any of its rights or obligations hereunder without the prior written consent of the other party.
14. Nothing contained in this AGREEMENT shall be construed as obligating STATE to undertake the actual construction of the PROJECT until such time as it deems appropriate. In the event that construction of the PROJECT has not begun for a period of three (3) years from the date of UPRR's execution of this AGREEMENT, this AGREEMENT shall become null and void.
15. The acceptance date of this AGREEMENT shall be the day on which the last party executes the AGREEMENT.
16. In the event conditions or circumstances require a change in the scope of UPRR's RAILROAD WORK on the PROJECT, as set forth in this AGREEMENT and on the PROJECT PLANS, each party shall agree in writing to the changes, including payment responsibilities, prior to performing the work. STATE shall not be responsible for any costs associated with any change in the scope of RAILROAD WORK until STATE approves the change in writing. The proposed schedule for completion of RAILROAD WORK shall be adjusted to accommodate the change in scope and the time necessary for STATE to process the change request.
17. If STATE, due to an audit of UPRR's billing sent to STATE has any audit exceptions, STATE and UPRR shall discuss the audit exceptions and agree upon the amount of billing to STATE that is the subject matter of the audit exceptions. If, when doing such review, it is determined by STATE and UPRR that UPRR is to reimburse STATE for any payment already made by STATE to UPRR, UPRR shall make such reimbursement within ninety (90) days after STATE and UPRR have made such determination. Likewise, if it is determined by STATE and UPRR that STATE needs to make any additional payment to UPRR, STATE shall make such additional payment within ninety (90) days after STATE and UPRR have made such determination. If any audit exception(s) cannot be settled by STATE and UPRR through their discussions, the audit exception(s) shall be settled through compromise, arbitration or adjudication as provided in this AGREEMENT.
18. STATE and UPRR each agree to be liable to the other party for its own acts of negligence and the negligence of its own employees.
19. The parties shall use arbitration after exhausting applicable administrative remedies to resolve disputes arising out of this AGREEMENT where the sole relief sought is monetary damages of \$100,000.00, or less, exclusive of interest and costs, as provided in A.R.S. § 12-1518.

20. When not pre-empted by Federal Law, rules and responsibilities, This AGREEMENT is subject to the provisions of Chapter 1 of Title 35, Arizona Revised Statutes.
21. UPRR shall comply with all applicable provisions of Executive Orders 75-5 and 99-4, "Non-Discrimination in Employment by Government Contractors and Subcontractors".
22. All parties hereby are put on notice that this AGREEMENT is subject to cancellation by the Governor pursuant to A.R.S. § 38-511 with the understanding, however, that STATE shall pay to UPRR within ninety (90) days, for all RAILROAD WORK completed, or in progress, up to the time of cancellation and STATE, at its expense, shall restore all UPRR right of way to a condition existing prior to the execution of this AGREEMENT by UPRR.
23. In accordance with A.R.S. § 35-214 for projects involving only STATE funding, all books, accounts, reports, files and other records relating to this AGREEMENT shall be subject at reasonable times to inspection and audit by STATE for five (5) years after the receipt of final payment. If a project is federally funded, as is this PROJECT, the time limit for inspection and audit of UPRR records by STATE shall be three (3) years after the receipt of the final payment. STATE shall notify UPRR on, or before, the advertisement date of the PROJECT as to which form of funding is utilized. At STATE's discretion said inspection and audit may be held at UPRR's offices in Omaha, Nebraska, during normal business hours. STATE shall conduct its inspection and audit at its expense, including UPRR's audit costs.
24. This AGREEMENT, including any schedules, exhibits or attachments hereto, constitutes the entire agreement between the parties, and no understanding or obligation not expressly set forth herein shall be binding upon them. No modification, amendment or alteration of this AGREEMENT shall be valid unless it is in writing and signed by both parties.
25. This AGREEMENT shall be governed by the laws of the State of Arizona, unless such laws are otherwise preempted by Federal statutes, rules and/or regulations.
26. The waiver by either party of any breach or failure to provide full performance under any of the terms or conditions of this AGREEMENT shall not be construed as a waiver of any other term or condition, or of any subsequent breach of the same or any other term or condition.
27. Any notice provided for or concerning this AGREEMENT shall be in writing and be deemed sufficiently given when sent by certified mail, return receipt requested, to the parties at the following addresses:
- | | |
|--------------------------------|---|
| Union Pacific Railroad Company | Manager – Industry & Public Projects
Union Pacific Railroad Company
1301 E Harrison Street
Phoenix, AZ 85034 |
|--------------------------------|---|

State of Arizona

Arizona Department of Transportation
Utility & Railroad Section
Attn: Engineer – Manager
205 South 17th Avenue – Mail Drop 618E
Phoenix, Arizona 85007

28. Supporting documentation for reimbursement of RAILROAD WORK shall comply with 23 CFR 140 Subpart I. UPRR's invoice to STATE of actual costs incurred by UPRR under this PROJECT shall include UPRR'S WORK ORDER NUMBER or COST ACCUMULATION NUMBER and STATE's Agreement Number and TRACS Number. UPRR's cover letter to STATE sending any supporting documentation for such billing shall also reference UPRR's WORK ORDER NUMBER or COST ACCUMULATION NUMBER and STATE'S Agreement Number and TRACS Number with the understanding that the supporting documentation papers will not need to reference such numbers.

IN WITNESS WHEREOF, STATE has caused this AGREEMENT to be executed and attested by its duly qualified and authorized officials, and UPRR has executed this AGREEMENT, both as of the day and year first above written.

UNION PACIFIC RAILROAD
COMPANY

ARIZONA DEPARTMENT OF
TRANSPORTATION

By: Beverly J. Kubat

Title: Asst. Director - Contracts

VICTOR MENDEZ, DIRECTOR

Bruce Vana

Bruce Vana, P.E., Engineer – Manager
Utility and Railroad Engineering Section

Its: _____

Date 8-19-08

Date: August 12, 2008

CHIEF

16

APPROVED



Assistant Attorney General
Attorney for Department
of Transportation

Date 7/22/08

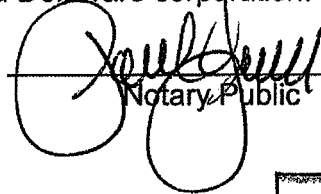
ACKNOWLEDGMENT BY UPRR

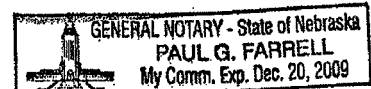
STATE OF NEBRASKA)
) ss
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 12th
day of August, 2008, by Beverly J. Kuback, the Asst. Director
on behalf of Union Pacific Railroad Company, a Delaware corporation.

My Commission Expires:

12/20/2009


Notary Public




ACKNOWLEDGMENT BY STATE

STATE OF ARIZONA)
) ss
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 19th day of
AUGUST, 2008, by Bruce Vana, P.E., the Engineer – Manager of the
Utility & Railroad Engineering Section, Arizona Department of Transportation.

My Commission Expires:

NOV. 19, 2011


Notary Public

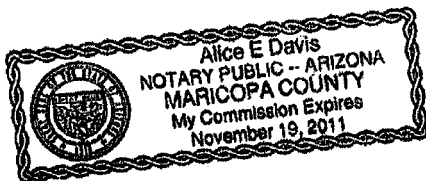


EXHIBIT A

**Summary Of Costs To Be Paid by STATE Through
This
AGREEMENT**

TWIN PEAKS T.I.
CONSTRUCTION TRACS NUMBER 010 PM 236 H5838 01 C
RRMP 970.18

Preliminary Engineering & Plan Review	\$ 5,000
Project Inspection	\$ 10,000
Removal of Existing Signal & Crossing	\$ 22,074
Undergrounding Existing UPRR Communication Line	\$ 79,372
Highway grant to to State of Arizona	\$ 21,900

Total Estimated PROJECT Cost (Paid by State to UPRR) \$ 138,346
--

Flagging costs for the structure are a separate cost and shall be invoiced to STATE's Contractor.

Flagging will be billed to the Contractor using UPRR current rates and actual number of flagging days. Currently the flagging rate for a ten (10) hour day is \$1,000.00. STATE estimates that Ninety (90) days of flagging may be needed for the PROJECT. Based on the above, estimated flagging costs are:

90 estimated days of flagging X \$1,000.00/day = \$90,000

DATE: 2008-07-09

ESTIMATE OF MATERIAL AND FORCE ACCOUNT WORK
BY THE
UNION PACIFIC RAILROAD

THIS ESTIMATE GOOD FOR 6 MONTHS EXPIRATION DATE IS :2009-01-07

DESCRIPTION OF WORK:

REMOVE THE CROSSING SURFACE AND WARNING DEVICES AT CAMINO DE MANANA ST IN
MANANA ARIZONA. MP. 970.42 ON THE GILA SUB. STATE OF ARIZONA TO PAY
100% OF COST.

PID: 58621 AWO: 83539 MP,SUBDIV: 970.42, GILA
SERVICE UNIT: 16 CITY: MARANA STATE: AZ

DESCRIPTION	QTY	UNIT	LABOR	MATERIAL	RECOLL	UPRR	TOTAL
ENGINEERING WORK							
ENGINEERING			1000		1000		1000
LABOR ADDITIVE 144%			1440		1440		1440
PLAN REVIEW				10000	10000		10000
TOTAL ENGINEERING			2440	10000	12440		12440
SIGNAL WORK							
LABOR ADDITIVE 144%			4393		4393		4393
SIGNAL			3051		3051		3051
TOTAL SIGNAL			7444		7444		7444
TRACK & SURFACE WORK							
ENVIRONMENTAL PERMIT				1	1		1
LABOR ADDITIVE 144%			1025		1025		1025
RDXING			1164		1164		1164
TOTAL TRACK & SURFACE			2189	1	2190		2190
LABOR/MATERIAL EXPENSE							
LABOR/MATERIAL EXPENSE	12073		10001				
RECOLLECTIBLE/UPRR EXPENSE					22074	0	
ESTIMATED PROJECT COST							22074
EXISTING REUSEABLE MATERIAL CREDIT					0		
SALVAGE NONUSEABLE MATERIAL CREDIT					0		
RECOLLECTIBLE LESS CREDITS							

THE ABOVE FIGURES ARE ESTIMATES ONLY AND SUBJECT TO FLUCTUATION. IN THE EVENT OF
AN INCREASE OR DECREASE IN THE COST OR QUANTITY OF MATERIAL OR LABOR REQUIRED,
UPRR WILL BILL FOR ACTUAL CONSTRUCTION COSTS AT THE CURRENT EFFECTIVE RATE.

EXHIBIT "A"

DATE: 2008-07-09

ESTIMATE OF MATERIAL AND FORCE ACCOUNT WORK
BY THE
UNION PACIFIC RAILROAD

THIS ESTIMATE GOOD FOR 6 MONTHS EXPIRATION DATE IS :2009-01-07

DESCRIPTION OF WORK:

SIGNAL CONSTRUCTION FOR INSTALLATION

OF SIGNAL POLE LINE UNDERGROUND FOR

TWIN PEAKS INTERCHANGE OVERPASS AT:

MARANA, AZ., MP970.18 ON THE GILA SUBDIVISION

WORK TO BE PERFORMED BY RAILROAD WITH EXPENSE AS BELOW:

SIGNAL - FEDERAL/STATE - 100%

ESTIMATED USING FEDERAL ADDITIVES WITH OVERHEAD & INDIRECT CONSTRUCTION

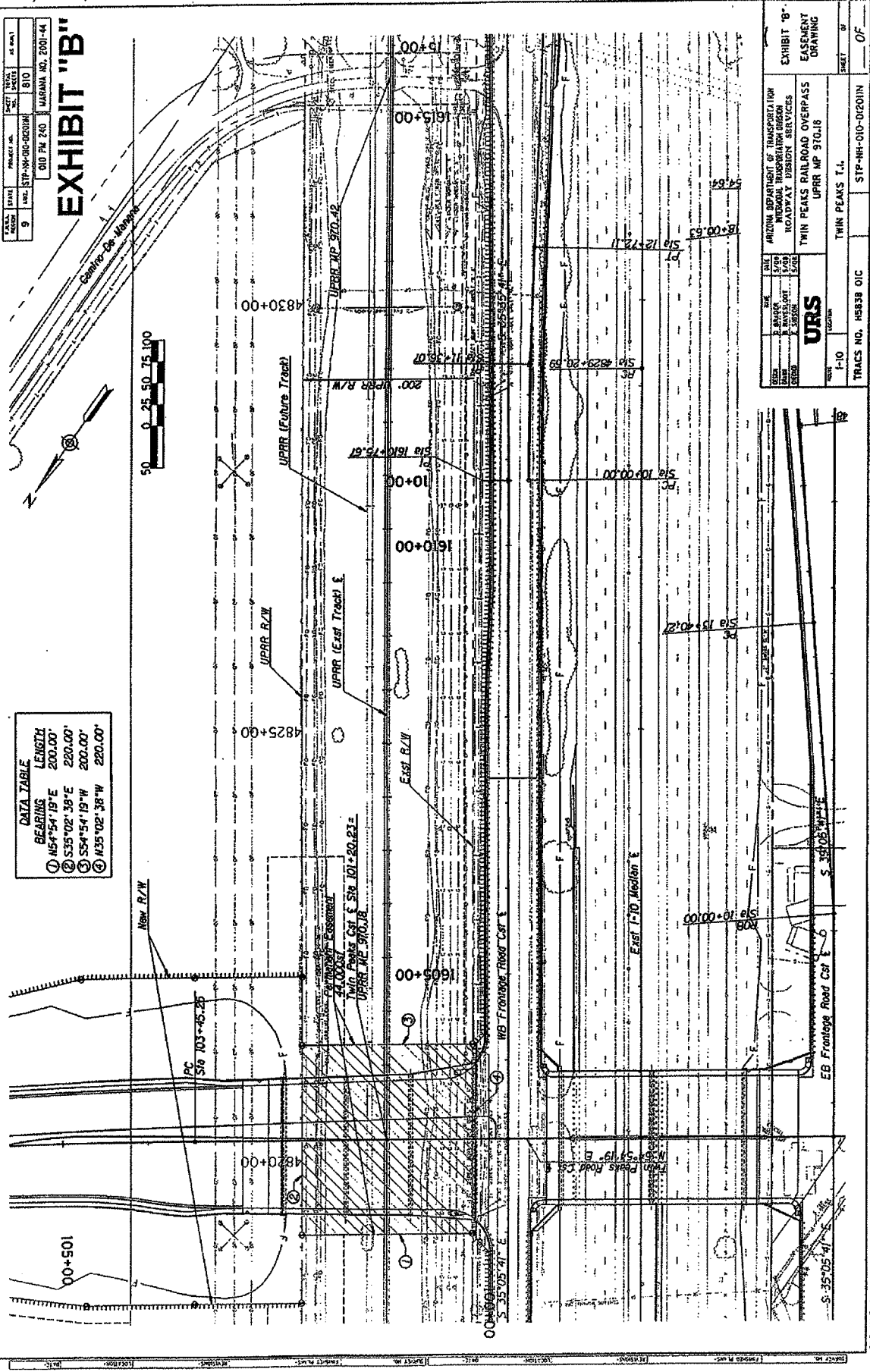
COSTS = 167.76%

PID: 58623 AWO: 83540 MP,SUBDIV: 970.18, GILA
SERVICE UNIT: 16 CITY: MARANA STATE: AZ

DESCRIPTION	QTY	UNIT	LABOR	MATERIAL	RECOLL	UPRR	TOTAL
ENGINEERING/SIGNAL WORK							
ENGINEERING			400		400		400
SIGNAL W/C 30001			5788		5788		5788
SIGNAL W/C 30004/30007			16272	5095	21367		21367
PERSONAL EXPENSES				11250	11250		11250
BILL PREP			900		900		900
NONSTK SLEEVES				100	100		100
TRANSP/I.B. RCLW WIRING				71	71		71
TRANSP/O.B. RCLW WIRING				255	255		255
RCLW SHOP WIRE CONTRACT				258	258		258
SALES TAX				203	203		203
LABOR ADDITIVE 167.76%			37679		37679		37679
CONTRACT-REM.POLELINE				1100	1100		1100
ENVIRONMENTAL-PERMIT				1	1		1
TOTAL ENGINEERING/SIGNAL			61039	18333	79372		79372
LABOR/MATERIAL EXPENSE			61039	18333			
RECOLLECTIBLE/UPRR EXPENSE					79372		
ESTIMATED PROJECT COST							79372

THE ABOVE FIGURES ARE ESTIMATES ONLY AND SUBJECT TO FLUCTUATION. IN THE EVENT OF AN INCREASE OR DECREASE IN THE COST OR QUANTITY OF MATERIAL OR LABOR REQUIRED, UPRR WILL BILL FOR ACTUAL CONSTRUCTION COSTS AT THE CURRENT EFFECTIVE RATE.

EXHIBIT "A"



URS

LEGAL DESCRIPTION

That portion of the Northwest quarter of Section 22, Township 12 South, Range 12 East, of the Gila and Salt River Meridian, Pima County, Arizona, being more particularly described as follows:

COMMENCING at the Northwest corner of said Section 22 (rebar with cap) from which the North quarter corner of said Section 22 (railroad spike) bears North 89°34'30" East, 2639.76 feet;

thence North 89°34'30" East, 1245.91 feet along the North line of said Section 22 to the westerly right of way of the Union Pacific Railroad;

thence departing said North line South 35°02'38" East, 656.87 feet along said westerly right of way to the POINT OF BEGINNING;

thence departing said westerly right of way North 54°54'19" East, 200.00 feet to the easterly right of way of said Union Pacific Railroad;

thence South 35°02'38" East, 220.00 feet along said easterly right of way;

thence departing said easterly right of way South 54°54'19" West, 200.00 feet to said westerly right of way of the Union Pacific Railroad;

thence North 35°02'38" West, 220.00 feet along said westerly right of way to the POINT OF BEGINNING.

Said Parcel contains 44,000 square feet or 1.0101 acres more or less.

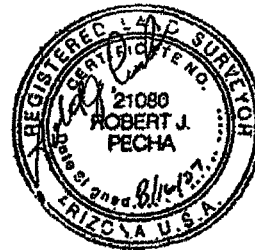


EXHIBIT "C"

After Recording, Return To:

Space Above This Line for County Recorder's Use

ADOT Project No.: 010-D(AVI)
ADOT Agreement No.: 3037-07-UPRR
Highway: Casa Grande- Tucson Highway (I-10)
Location: I-10 Road milepost 245.0
UPRR Milepost: 970.18 on UPRR's Gila Subdivision

UPRR Folder No.: 2428-05

HIGHWAY GRANT

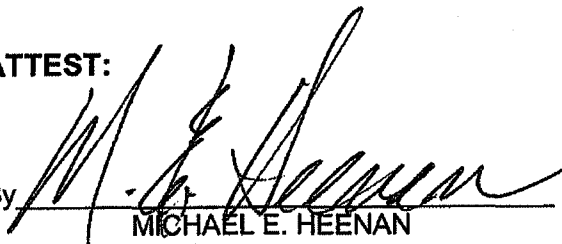
THIS INSTRUMENT is made this 25th day of August, 2008, by and between **UNION PACIFIC RAILROAD COMPANY**, a Delaware corporation, formerly known as Southern Pacific Transportation Company, a Delaware corporation (the "Grantor") and the **STATE OF ARIZONA**, acting by and through its Department of Transportation (the "Grantee"):

1. Grantor, for and in consideration of the sum of Twenty One Thousand, Nine Hundred Dollars (\$21,900) and in consideration of the mutual covenants contained herein, hereby grants to Grantee, its successors and assigns, subject to the conditions herein contained, the right to construct, use, maintain, repair, reconstruct and renew a public highway bridge over the portion of Grantor's property and trackage described in **EXHIBIT C**, attached hereto and hereby made a part hereof, with such property hereinafter referred to as the "Property" and being located near Grantor's Mile Post 970.18 (DOT Number 924-115 X) on its Gila Subdivision, near the Town of Marana, in Pima County, Arizona.
2. This grant is subject to (i) the terms and conditions of a separate Railroad Agreement between the Grantor and Grantee dated August 19, 2008, covering Grantee's Construction Project Number U 191-C-401 and (ii) all prior and outstanding licenses, leases, easements, restrictions, conditions, covenants, liens and claims of title which may affect the Property, whether recorded or unrecorded, and the word "grant" as used herein shall not be construed as a covenant against the existence of any thereof.

3. This grant is made subject to the prior and continuing right and obligation of Grantor, its successors and assigns, to use all the Property in the performance of its duty as a common carrier, and there is reserved unto Grantor, its successors and assigns, the right (consistent with the rights herein granted) to construct, reconstruct, maintain, repair, use and operate existing and future transportation, communication and pipeline facilities and appurtenances in, upon, over, under, across and along the Property. Grantor may move equipment of all types on, along and over the grant area.
4. If the Property, or any portion thereof, shall cease to be needed for public highway purposes, then and in that event, the rights herein granted shall, as to such portion(s), thereupon cease and terminate and Grantor, its successors and assigns, shall resume possession thereof of such portion(s) of the Property. In such circumstances, the Grantee, if so requested by Grantor, shall execute and deliver to Grantor a quitclaim and release document in recordable form that releases the grant of rights contained herein.

IN WITNESS WHEREOF, Grantor and Grantee have each duly executed this instrument as of the date first herein written.

ATTEST:

By 
MICHAEL E. HEENAN
Assistant Secretary

UNION PACIFIC RAILROAD COMPANY
(Federal Tax ID No. 94-6001323)

By 
GREGORY L. PINKER
Director Contracts

(Seal)

ACCEPTED:

STATE OF ARIZONA,
DEPARTMENT OF TRANSPORTATION

By: 

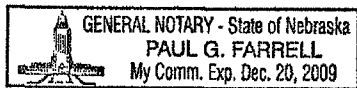
Title: ENG. MNGR. UPRR

ACKNOWLEDGMENT

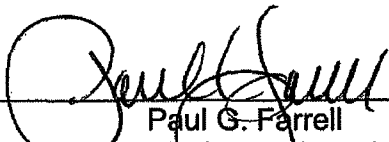
STATE OF NEBRASKA)
) ss
COUNTY OF DOUGLAS)

On this 25th day of August, 2008, before me, *Paul G. Farrell*, a Notary Public in and for said County and State personally appeared, **Gregory L. Pinker** and **Michael E. Heenan** who are the *Director Contracts* and *Assistant Secretary*, respectively, of Union Pacific Railroad Company, a Delaware corporation, and who are personally known to me (or proved to me on basis of satisfactory evidence) to be the persons whose names are subscribed to in the within instrument, and acknowledged to me that they executed the same in their authorized capacities, and by their signatures on the instrument the persons, or the entity upon behalf of which persons acted, executed the instrument.

WITNESS my hand and official seal.



↑(Affix Seal Here)↑



Paul G. Farrell
Notary Public in and for said State

My Commission Expires: December 20, 2009

ACKNOWLEDGMENT

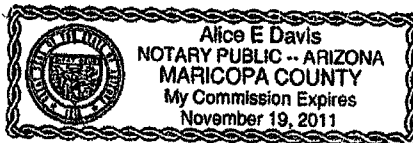
STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On this 9th day of SEPTEMBER, 2008, before me, a Notary Public in and for said County and State, personally appeared BRUCE D. VANA who is the ENGINEERING MANAGER of the State of Arizona, Department of Transportation, and who is personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to in the within instrument, and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Alice E. Davis
Notary Public

(Seal)



URS

EXHIBIT A

LEGAL DESCRIPTION

That portion of the Northwest quarter of Section 22, Township 12 South, Range 12 East, of the Gila and Salt River Meridian, Pima County, Arizona, being more particularly described as follows:

COMMENCING at the Northwest corner of said Section 22 (rebar with cap) from which the North quarter corner of said Section 22 (railroad spike) bears North 89°34'30" East, 2639.76 feet;

thence North 89°34'30" East, 1245.91 feet along the North line of said Section 22 to the westerly right of way of the Union Pacific Railroad;

thence departing said North line South 35°02'38" East, 656.87 feet along said westerly right of way to the POINT OF BEGINNING;

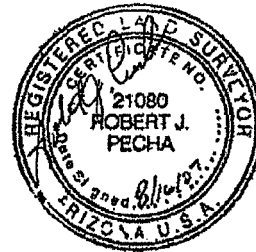
thence departing said westerly right of way North 54°54'19" East, 200.00 feet to the easterly right of way of said Union Pacific Railroad;

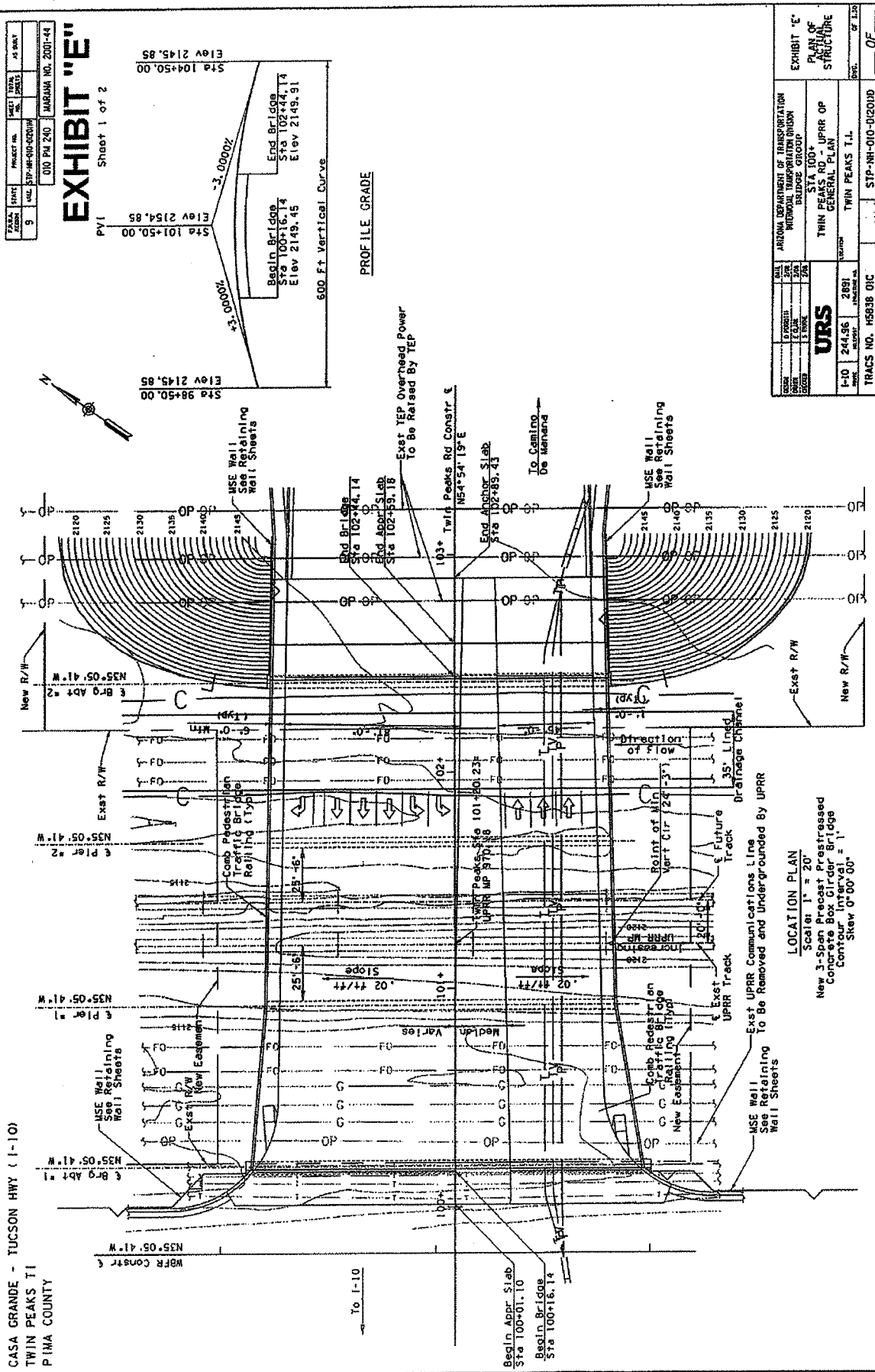
thence South 35°02'38" East, 220.00 feet along said easterly right of way;

thence departing said easterly right of way South 54°54'19" West, 200.00 feet to said westerly right of way of the Union Pacific Railroad;

thence North 35°02'38" West, 220.00 feet along said westerly right of way to the POINT OF BEGINNING.

Said Parcel contains 44,000 square feet or 1.0101 acres more or less.





CASA GRANDE - TUCSON HWY (I-10)
TWIN PEAKS T I
PIMA COUNTY

EXHIBIT "E"

Sheet 1 of 2

DATE	BY	CHKD	APP'D	SCALE	PROJECT NO.	DATE	BY	CHKD	APP'D	SCALE
9					010 P4 240					
					010 P4 240					
					010 P4 240					

PROFILE GRADE

ARIZONA DEPARTMENT OF TRANSPORTATION HIGHWAY DIVISION		EXHIBIT "E"	
PROJECT NO. 010 P4 240		PLAN OF STRUCTURE	
DATE 9/18/2000		DATE 9/18/2000	
BY 2891		BY 2891	
CHKD 2891		CHKD 2891	
APP'D 2891		APP'D 2891	
SCALE 1" = 20'		SCALE 1" = 20'	
SKEW 0° 00' 00"		SKEW 0° 00' 00"	
TWIN PEAKS T I		TWIN PEAKS T I	
TRACS NO. M583B OIC		TRACS NO. M583B OIC	
STP-NH-010-01010		STP-NH-010-01010	

LOCATION PLAN

Scale: 1" = 20'
New 3-Span Precast Prestressed
Concrete Bridge
Centerline Stationing: 100+01.10
SKEW 0° 00' 00"

Agreement 3037-07-UPRR
UPRR Folder Number 2488-96

CAL. NO.	DATE	PROJECT NO.	SHEET NO.	TOTAL SHEETS	AS BUILT
9	9	STP-NH-010-02010	100	100	
		DDP PM 240			

EXHIBIT "E"

Sheet 2 of 2

NO CONSTRUCTION ACTIVITIES OR OBSTRUCTIONS SHALL BE PLACED WITHIN THESE LIMITS

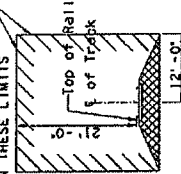
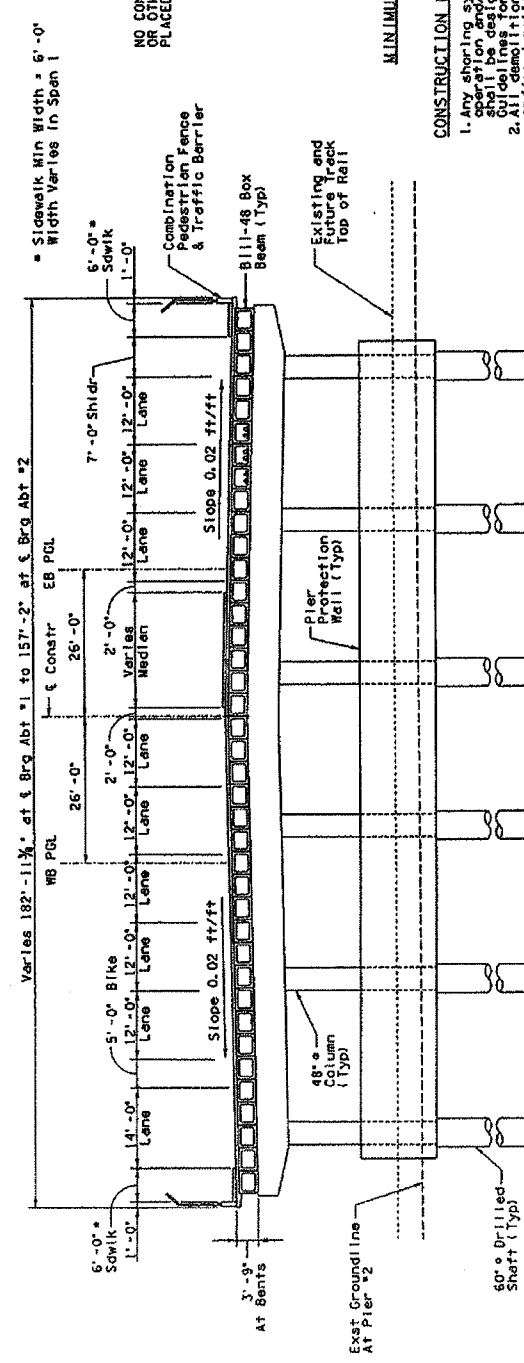


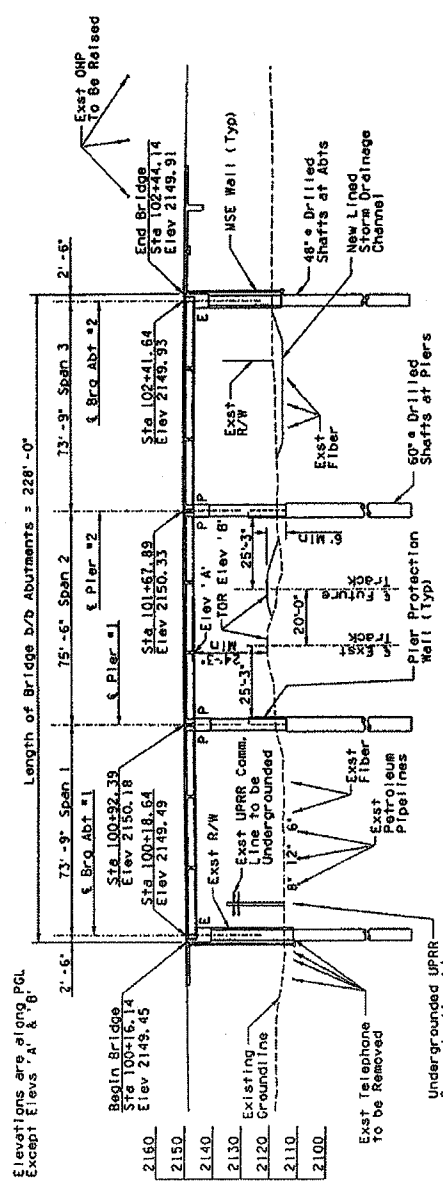
FIGURE 1
MINIMUM CONSTRUCTION CLEARANCE ENVELOPE
(Normal to Railroad)

CONSTRUCTION NOTES:

1. Any shoring system that impacts the Railroad's embankment or supports the Railroad's embankment shall be designed and constructed per Railroad Guidelines for Temporary Shoring.
2. All demolition within the Railroad's right-of-way and/or easement shall comply with the Railroad's Demolition requirements.
3. Erection over the Railroad's track shall be planned such that it enables the tracks to remain open to traffic during construction.
4. The elevation of the existing top-of-rail profile shall be verified before beginning construction. All discrepancies shall be brought to the attention of the Railroad.
5. The proposed grade separation project shall not change the quantity and/or characteristics of the flow in the railroad ditches and/or drainage structures.
6. Erection shall be submitted to a proposed method of erosion and sediment control to be approved by the Railroad prior to beginning any grading of the project site.
7. Construction shall refer to the Railroad's Construction Specifications and the Railroad's Special Provisions of the project.
8. Temporary Construction Clearances, including falsework clearances, shall comply with Figure 1.
9. Project closure clearances shall be verified before Railroad review and approval of shoring, erection, demolition, and falsework is required. Allow a minimum of 48 hours for the review and approval of each submission.
10. Railroad requirements do not allow work within 50 feet of track centerline when a train passes the work site on a track that is not under construction or maintenance. Personnel must clear the area within 25 feet of the track centerline when a train passes the work site.
11. Drains from the Overhead Structure shall be diverted away from and not discharged onto the tracks, roadbed, and Railroad right-of-way. Vertical clearance shall be maintained in the area within 25 feet sufficiently above the sidewalk surface to prevent storm water from falling onto Railroad right-of-way.



TYPICAL SECTION
Soiler 1" = 10'
(Pier #2 Shown, Pier #1 Similar)



LONGITUDINAL SECTION
Soiler 1" = 20'

Elev. 'A' = 2145.63
TOR Elev. 'B' = 2121.37

DATE	BY	REVISION	DESCRIPTION
1-10	244.96	2891	STP-NH-010-02010
			STP-NH-010-02010
			STP-NH-010-02010

DATE: 2/11/2008

TIME: 10:00:00 AM

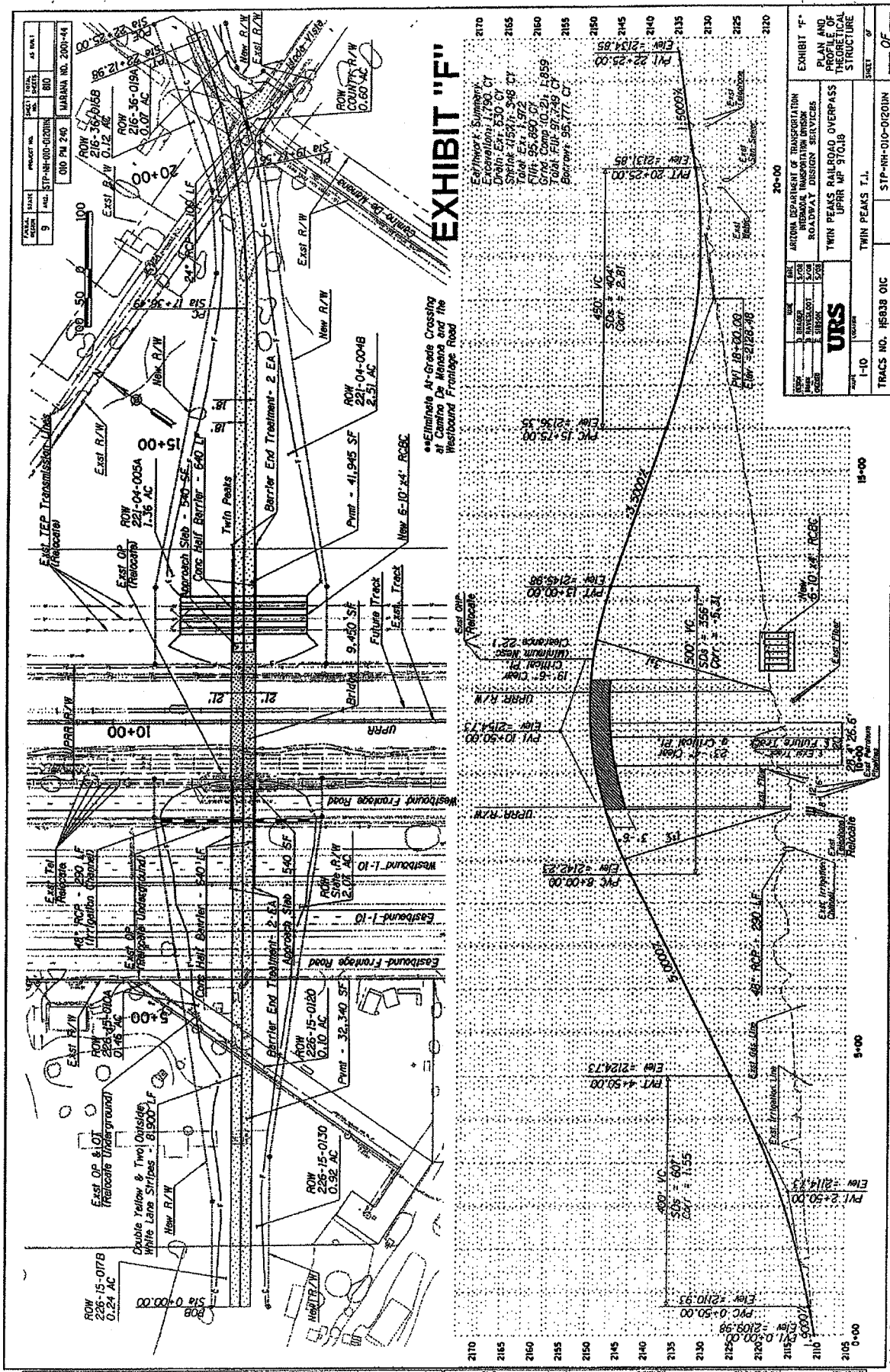


EXHIBIT "F"

••••••••••••••••••••
 at Camino De Merina and the
 Westbound Frontage Road

REVISION	DATE	BY	CHKD	APP'D	DESCRIPTION
1	01/01/00	URS			INITIAL DESIGN
2	01/01/00	URS			REVISED DESIGN
3	01/01/00	URS			REVISED DESIGN
4	01/01/00	URS			REVISED DESIGN
5	01/01/00	URS			REVISED DESIGN
6	01/01/00	URS			REVISED DESIGN
7	01/01/00	URS			REVISED DESIGN
8	01/01/00	URS			REVISED DESIGN
9	01/01/00	URS			REVISED DESIGN
10	01/01/00	URS			REVISED DESIGN

Agreement 3037-07-UPRR
 UPRR Folder Number 2488-96

EXHIBIT G

Summary of UPRR Cost Sharing Estimate

TWIN PEAKS T.I.
CONSTRUCTION TRACS NUMBER 010 PM 236 H5838 01 C
RRMP 970.18

Roadway Misc	\$ 3,821,874
Bridge Structure	\$ 1,920,500
New RCBC	\$ 1,913,926
Utility Relocation	\$ 667,250
MOT	\$ 416,177
Mobilization	\$ 832,355
Right of Way	<u>\$ 1,206,410</u>
Subtotal	\$10,778,492
Engineering	\$ 754,494
Construction Management	\$ 1,616,774
Total Cost	<u>\$13,149,760</u>
UPRR 5% share	<u>\$ 657,488</u>

EXHIBIT "G"

TRACS NUMBER
010 PM 240 H5838 01D

**UPRR COST SHARING ESTIMATE
TWIN PEAKS TRAFFIC INTERCHANGE**

FEDERAL NUMBER
NH 010-D(AIW)

ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
REMOVAL OF STRUCTURES AND OBSTRUCTIONS	L.SUM	1	\$166,000	\$166,000
REMOVAL OF ASPHALTIC CONCRETE PAVEMENT	SQ.YD.	4909	\$2	\$9,818
ROADWAY EXCAVATION	CU.YD.	1790	\$5	\$8,950
BORROW	CU.YD.	9577	\$8	\$76,616
DUST PALLIATIVE	M.GAL.	12500	\$20	\$250,000
AGGREGATE BASE, CLASS 2	CU.YD.	24762	\$25	\$619,050
BITUMINOUS TACK COAT	TON	4	\$200	\$800
APPLY BITUMINOUS TACK COAT	HOURL	8	\$120	\$960
ASPHALT BINDER (PG 70-10)	TON	2727	\$420	\$1,145,340
ASPHALTIC CONCRETE (3/4" MIX)	TON	3059	\$50	\$152,950
MINERAL ADMIXTURE (FOR 3/4")	TON	2	\$120	\$240
ASPHALTIC CONCRETE (MISCELLANEOUS STRUCTURAL)	TON	0	\$50	\$0
ASPHALTIC CONCRETE FRICTION COURSE (ASPHALT-RUBBER)	TON	214	\$68	\$14,552
ASPHALT RUBBER MATERIAL (FOR AR-AC)	TON	17	\$600	\$10,200
MINERAL ADMIXTURE (FOR AR-ACFC)	TON	2	\$120	\$240
PIPE, REINFORCED CONCRETE, CLASS IV, 24"	L.FT.	100	\$90	\$9,000
PIPE, REINFORCED CONCRETE, CLASS IV, 48"	L.FT.	290	\$200	\$58,000
FLARED END SECTION, 24" (C-13.20 OR C-13.25)(PIPE CULVERT)	EACH	2	\$375	\$750
FLARED END SECTION, 48" (C-13.20 OR C-13.25)(PIPE CULVERT)	EACH	2	\$1,000	\$2,000
IMPACT ATTENUATION DEVICE (ET-PLUS)	EACH	4	\$3,000	\$12,000
PAVEMENT MARKING (WHITE SPRAYED THERMOPLASTIC)(0.060")	L.FT.	4450	\$0	\$890
PAVEMENT MARKING (YELLOW SPRAYED THERMOPLASTIC)(0.060")	L.FT.	4450	\$0	\$890
ELECTRICAL CONDUIT (2")(PVC)	L.FT.	2225	\$10	\$22,250
POLE (SPECIAL)	EACH	5	\$800	\$4,000
POLE FOUNDATION (TYPE G)(STANDARD BASE)	EACH	5	\$100	\$500
MAST ARM (10 FT.)(TAPERED)	EACH	8	\$800	\$6,400
PULL BOX (NO. 5)	EACH	5	\$350	\$1,750
CONDUCTOR (L.FT.	2225	\$0	\$668
LUMINAIRE (EACH	5	\$200	\$1,000
MISCELLANEOUS ELECTRICAL (AS BUILTS)	L.SUM	1	\$500	\$500

February 18, 2008

Sheet 2 of 5

EXHIBIT "G"

TRACS NUMBER
010 PM 240 H5838 01D

UPRR COST SHARING ESTIMATE TWIN PEAKS TRAFFIC INTERCHANGE

FEDERAL NUMBER
NH 010-D(AIW)

ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
SIGN POST (PERFORATED) (SINGLE)	L.FT.	53	\$10	\$530
FOUNDATION FOR SIGN POST	EACH	5	\$100	\$500
FLAT SHEET ALUM PANEL W/DEMOUNT CHAR, AND TYP III/IV SHEET	SQ.FT.	31	\$10	\$310
EROSION CONTROL (SILT FENCE)	L.FT.	3324	\$5	\$16,620
CONCRETE BARRIER (SINGLE FACE)	L.FT.	1280	\$60	\$76,800
RIGHT-OF-WAY MARKER	EACH	21	\$150	\$3,150
CONTRACTOR QUALITY CONTROL	L.SUM	1	\$180,000	\$180,000
CONSTRUCTION SURVEYING AND LAYOUT	L.SUM	1	\$96,000	\$96,000
SLOPE PAVING	SQ.YD.	2600	\$70	\$182,000
MISCELLANEOUS ROADWAY SUBTOTAL				\$3,821,874

Agreement 3037-07-UPRR
UPRR Folder Number 2488-96

February 18, 2008

EXHIBIT "G"

TRACS NUMBER
010 PM 240 H5838 01D

UPRR COST SHARING ESTIMATE TWIN PEAKS TRAFFIC INTERCHANGE COST ESTIMATE FOR NEW THREE SPAN BRIDGE OVER RAILROAD

Sheet 3 of 7

FEDERAL NUMBER
NH 010-D(AIW)

ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
STRUCTURAL EXCAVATION	CU.YD.	300	\$15	\$4,500
STRUCTURAL BACKFILL	CU.YD.	2,100	\$40	\$84,000
STRUCTURAL CONCRETE (CLASS S) (FC=3,000)	CU.YD.	1,155	\$450	\$519,750
STRUCTURAL CONCRETE (CLASS S) (FC=5,500)	CU.YD.	121	\$475	\$57,475
STRUCTURAL CONCRETE (CLASS S) (FC=4,500)	CU.YD.	188	\$450	\$84,600
32" TYPE 'F' TRAFFIC BARRIER	L.F.T.	515	\$150	\$77,250
DECK JOINT ASSEMBLY (STRIP SEAL JOINT)	L.F.T.	80	\$150	\$12,000
APPROACH SLAB (SD 2.01)	SQ.F.T.	1,285	\$25	\$32,125
PRECAST, P/S MEMBER - B III-48 BOX BEAMS	L.F.T.	2,220	\$165	\$366,300
REINFORCING STEEL	LB.	180,000	\$1	\$180,000
DRILLED SHAFT FOUNDATION (60")	L.F.T.	240	\$500	\$120,000
DRILLED SHAFT FOUNDATION (48")	L.F.T.	900	\$425	\$382,500
LUMP SUM STRUCTURE (TOTAL OF PRECEDING ITEMS)	L.SUM	1		\$1,920,500

Agreement 3037-07-UPRR
UPRR Folder Number 2488-96

February 18, 2008

TRACS NUMBER
010 PM 240 H5838 01D

EXHIBIT "G"

UPRR COST SHARING ESTIMATE TWIN PEAKS TRAFFIC INTERCHANGE COST ESTIMATE FOR NEW RCBC (6-10'x4')

Sheet 4 of 5

FEDERAL NUMBER
NH 010-D(AIW)

ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
STRUCTURAL EXCAVATION	CU.YD.	3,308	\$15	\$49,620
STRUCTURAL BACKFILL	CU.YD.	223	\$40	\$8,920
STRUCTURAL CONCRETE (CLASS S) (F'C=3,000)	CU.YD.	2,365	\$450	\$1,064,250
REINFORCING STEEL	LB.	791,136	\$1	\$791,136
LUMP SUM STRUCTURE (TOTAL OF PRECEDING ITEMS)	L.SUM	1		\$1,913,926

Agreement 3037-07-UPRR
UPRR Folder Number 2488-96

February 18, 2008

TRACS NUMBER
010 PM 240 H5838 01D

EXHIBIT "G" **UPRR COST SHARING ESTIMATE** **TWIN PEAKS TRAFFIC INTERCHANGE**

Sheet 5 of 5

FEDERAL NUMBER
NH 010-D(AIW)

SUMMARY	UNIT	QUANTITY	UNIT PRICE	AMOUNT
MISCELLANEOUS ROADWAY ITEMS (See Attached Cost Estimate for Roadway Items)	L.SUM	1	\$3,821,873.50	\$3,821,874
NEW THREE SPAN BRIDGE OVER RAILROAD (See Attached Cost Estimate for Three Span Bridge)	L.SUM	1	\$1,920,500.00	\$1,920,500
NEW 6-10'x4' RCBC (See Attached Cost Estimate for RCBC)	L.SUM	1	\$1,913,926.00	\$1,913,926
UTILITY RELOCATION				
RELOCATE TEP TRANSMISSION LINES	L.SUM	1	\$600,000.00	\$600,000
RELOCATE OVERHEAD POWER LINES (3)	L.FT.	800	\$20.00	\$16,000
RELOCATE UNDERGROUND FIBER TELEPHONE (5)	L.FT.	1450	\$25.00	\$36,250
UPRR CROSSING SIGNAL & SURFACE REMOVAL	L.SUM	1	\$15,000.00	\$15,000
UTILITY RELOCATION SUBTOTAL				\$667,250
ROADWAY SUBTOTAL				\$8,323,550
MOT (BASED ON 5% OF ROADWAY TOTAL)	L.SUM	1	\$416,177.48	\$416,177
MOBILIZATION (BASED ON 10% OF ROADWAY TOTAL)	L.SUM	1	\$832,354.95	\$832,355
RIGHT OF WAY ACQUISITION				
NOTE: THE ACQUISITION ESTIMATE IS BASED ON ACQUIRING PORTIONS OF THE FOLLOWING PARCELS:				
226-15-0130, 226-15-0120, 226-15-010A, 226-15-017B,				
221-04-005A, 216-36-015B, 216-36-019A, 221-04-004B				
ACQUISITION ESTIMATE TOTAL	L.SUM	1	\$711,782.00	\$711,782
ESTIMATE RELOCATION COST	L.SUM	1	\$434,308.00	\$434,308
ESTIMATE DEMOLITION COST	L.SUM	1	\$60,320.00	\$60,320
RIGHT-OF-WAY SUBTOTAL				\$1,206,410
SUBTOTAL				\$10,778,492
ENGINEERING (7%)				\$754,494
CONSTRUCTION MANAGEMENT (15%)				\$1,616,774
TOTAL FOR RAILROAD CONTRIBUTION PERCENTAGE				\$13,149,760
RAILROAD 5% COST SHARE				\$538,928

Agreement 3037-07-UPRR
UPRR Folder Number 2488-96

EXHIBIT H

TO PUBLIC ROAD CROSSING OVERPASS/UNDERPASS AGREEMENT

1) MINIMUM CONSTRUCTION REQUIREMENTS

1.01 DESCRIPTION

This project includes construction work within the right-of-way and/or properties of the Union Pacific Railroad Company ("UPRR") and adjacent to its tracks, wire lines and other facilities. This section describes the minimum special requirements for coordination with UPRR when work by the Contractor will be performed upon, over or under the UPRR right-of-way or may impact current or future UPRR operations. The Contractor will coordinate with UPRR while performing the work outlined in this Contract, and shall afford the same cooperation with UPRR as it does with the Agency. All submittals and work shall be completed in accordance with UPRR Guidelines and AREMA recommendations as modified by these minimum special requirements or as directed in writing by the UPRR Designated Representative.

For purposes of this project, the UPRR Designated Representative shall be the person or persons designated by the UPRR Manager of Industry and Public Projects to handle specific tasks related to the project.

1.02 DEFINITION OF AGENCY AND CONTRACTOR

As used in these UPRR requirements, the term "Agency" shall mean the State of Arizona, Department of Transportation.

As used in these UPRR requirements, the term "Contractor" shall mean the contractor or contractor's hired by the Agency to perform any project work on any portion of UPRR's property and shall also include the contractor's subcontractor's and the contractor's and subcontractor's respective officer, agents and employees, and others acting under its or their authority.

1.03 UPRR CONTACTS

The primary UPRR point of contact for this project is:

Aziz Aman
Manager Industry & Public Projects
Union Pacific Railroad
1301 E Harrison Street
Phoenix, AZ 85034
Phone (480) 415-2364
aaman@up.com

For UPRR flagging services and track work, contact:

Larry Collins
Manager of Track Maintenance
Union Pacific Railroad
1255 south Campbell Ave
Tucson, Arizona 85713
(520) 629-2283 office
(520) 629-2231 fax
lrcollin@up.com

Manager of Track Maintenance
Union Pacific Railroad
1255 south Campbell Ave
Tucson, Arizona 85713
(520) 629-2283 office
(520) 629-2231 fax
lrcollin@up.com

1.04 REQUEST FOR INFORMATION / CLARIFICATION

All Requests for Information ("RFI") involving work within any UPRR right-of-way shall be in accordance with the procedures listed elsewhere in these bid documents. All RFI's shall be submitted to the Engineer of Record. The Engineer of Record will submit the RFI to the UPRR Designated Representative for review and approval for RFI's corresponding to work within the UPRR right-of-way. The Contractor shall allow four (4) weeks for the review and approval process by UPRR.

1.05 PLANS / SPECIFICATIONS

The plans and specifications for this project, affecting the UPRR, are subject to the written approval by the UPRR and changes in the plans may be required after award of the Contract. Such changes are subject to the approval of the Agency and the UPRR.

1.06 UTILITIES AND FIBER OPTICS

All installations shall be constructed in accordance with current AREMA recommendations and UPRR specifications and requirements. UPRR general guidelines and the required application forms for utility installations can be found on the UPRR website at uprr.com.

1.07 GENERAL

A. Contractor shall perform all its work in compliance with all applicable UPRR and FRA rules and regulations. Contractor shall arrange and conduct its work in such manner and at such times as shall not endanger or interfere with the safe operation of the tracks and property of UPRR and the traffic moving on such tracks, or the wires, signals and other property of UPRR, its tenants or licensees, at or in the vicinity of the Work. UPRR shall be reimbursed by Contractor or Agency for train delay cost and lost revenue claims due to any delays or interruption of train operations resulting from Contractor's construction or other activities.

B. Construction activities will be permitted within 12 feet of the operational tracks only if absolutely necessary and UPRR's Designated Representative grants approval. Construction activities within 12 feet of the operational track(s) must allow the tracks to stay operational.

C. Track protection is required for all work equipment (including rubber tired equipment) operating within 25 feet from nearest rail.

D. The Contractor is also advised that new railroad facilities within the project may be built by UPRR and that certain Contractor's activities cannot proceed until that work is completed. The Contractor shall be aware of

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the limits of responsibilities and allow sufficient time in the schedule for that work to be accomplished and shall coordinate its efforts with the UPRR.

1.08 RAILROAD OPERATIONS

A. The Contractor shall be advised that trains and/or equipment are expected on any track, at any time, in either direction. Contractor shall be familiar with the train schedules in this location and structure its bid assuming intermittent track windows in this period, as defined in Paragraph B below.

B. All railroad tracks within and adjacent to the Contract Site are active, and rail traffic over these facilities shall be maintained throughout the Project. Activities may include both through moves and switching moves to local customers. Railroad traffic and operations will occur continuously throughout the day and night on these tracks and shall be maintained at all times as defined herein. The Contractor shall coordinate and schedule the work so that construction activities do not interfere with railroad operations.

C. Work windows for this Contract shall be coordinated with the Agency's and the UPRR's Designated Representatives. Types of work windows include Conditional Work Windows and Absolute Work Windows, as defined below:

1. **Conditional Work Window:** A Conditional Work Window is a period of time that railroad operations have priority over construction activities. When construction activities may occur on and adjacent to the railroad tracks within 25 feet of the nearest track, a UPRR flag person will be required. At the direction of the UPRR flag person, upon approach of a train, and when trains are present on the tracks, the tracks must be cleared (i.e., no construction equipment, materials or personnel within 25 feet, or as directed by the UPRR Designated Representative, from the tracks). Conditional Work Windows are available for the Project.

2. **Absolute Work Window:** An Absolute Work Window is a period of time that construction activities are given priority over railroad operations. During this time frame the designated railroad track(s) will be inactive for train movements and may be fouled by the Contractor. At the end of an Absolute Work Window the railroad tracks and/or signals must be completely operational for train operations and all UPRR, Public Utilities Commission (PUC) and Federal Railroad Administration (FRA) requirements, codes and regulations for operational tracks must be complied with. In the situation where the operating tracks and/or signals have been affected, the UPRR will perform inspections of the work prior to placing that track back into service. UPRR flag persons will be required for construction activities requiring an Absolute Work Window. **Absolute Work Windows will not generally be granted. Any request will require a detailed explanation for UPRR review.**

1.09 RIGHT OF ENTRY, ADVANCE NOTICE AND WORK STOPPAGES

A. Prior to beginning any work on or over the property of, or affecting the facilities of, the UPRR, the Contractor shall enter into an agreement with the UPRR in the form of the "Contractor's Right of Entry Agreement", thereof provided by the UPRR. There is a fee for processing of the agreement. This cost shall be borne by the Contractor. Contractor shall submit a copy of the executed agreement and the insurance policies, binders, certificates and endorsements set forth therein to the Agency prior to commencing work on UPRR property. The right of entry agreement shall specify working time frames, flagging and inspection requirements, and any other items specified by the UPRR.

B. The Contractor shall give the advance notice to the UPRR as required in the "Contractor's Right of Entry Agreement" before commencing work in connection with construction upon or over UPRR's right-of-way and shall observe UPRR's rules and regulations with respect thereto.

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C. All work upon UPRR's right-of-way shall be done at such times and in such manner as not to interfere with or endanger the operations of UPRR. Whenever work may affect the operations or safety of trains, the method of doing such work shall first be submitted to UPRR's Designated Representative for approval, but such approval shall not relieve the Contractor from liability. Any work to be performed by the Contractor, which requires flagging service or inspection service, shall be deferred until the flagging protection required by UPRR is available at the job site. See Section 3.18 for railroad flagging requirements.

D. The Contractor shall make requests in writing for both Absolute and Conditional Work Windows, at least two weeks in advance of any work. The written request must include:

1. Exactly what the work entails.
2. The days and hours that work will be performed.
3. The exact location of work, and proximity to the tracks.
4. The type of window requested and the amount of time requested.
5. The designated contact person.

The Contractor shall provide a written confirmation notice to the UPRR at least 48 hours before commencing work in connection with approved work windows when work will be performed within **25 feet of any track center line**. All work shall be performed in accordance with previously approved work plans.

E. Should a condition arising from, or in connection with the work, require that immediate and unusual provisions be made to protect operations and property of UPRR, the Contractor shall make such provisions. If in the judgment of UPRR's Designated Representative such provisions are insufficient, the UPRR's Designated Representative may require or provide such provisions as deemed necessary. In any event, such provisions shall be at the Contractor's expense and without cost to the UPRR. UPRR or the Agency shall have the right to order Contractor to temporarily cease operations in the event of an emergency or, if in the opinion of the UPRR's Designated Representative, the Contractor's operations could endanger UPRR's operations. In the event such an order is given, Contractor shall immediately notify the Agency of the order.

1.10 INSURANCE

Contractor shall not begin work upon or over UPRR's right-of-way until UPRR has been furnished the insurance policies, binders, certificates and endorsements required by the "Contractor's Right-of-Entry Agreement" and UPRR's Designated Representative has advised the Agency that such insurance is in accordance with the Agreement. The required insurance shall be kept in full force and effect during the performance of work and thereafter until Contractor removes all tools, equipment, and material from UPRR's property and cleans the premises in a manner reasonably satisfactory to UPRR.

1.11 RAILROAD SAFETY ORIENTATION

All personnel employed by the Contractor and all subcontractors must complete the UPRR course "Orientation for Contractor's Safety", and be registered prior to working on UPRR property. This orientation is available at www.contractororientation.com. This course is required to be completed annually.

1.12 COOPERATION

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UPRR will cooperate with Contractor so that work may be conducted in an efficient manner, and will cooperate with Contractor in enabling use of UPRR's right-of-way in performing the work.

1.13 MINIMUM CONSTRUCTION CLEARANCES FOR FALSEWORK AND OTHER TEMPORARY STRUCTURES

The Contractor shall abide by the following minimum temporary clearances during the course of construction:

- A. 12' - 0" horizontal from centerline of track
- B. 21' - 0" vertically above top of rail.

For construction clearance less than listed above, local Operating Unit review and approval is required.

1.14 APPROVAL OF REDUCED CLEARANCES

A. The minimum track clearances to be maintained by the Contractor during construction are specified in Section 3.07 herein.

B. Any proposed infringement on the specified minimum clearances due to the Contractor's operations shall be submitted to UPRR's Designated Representative through the Agency at least 30 days in advance of the work and shall not be undertaken until approved in writing by the UPRR's Designated Representative.

C. No work shall commence until the Contractor receives in writing assurance from UPRR's Designated Representative that arrangements have been made for flagging service, as may be necessary and receives permission from UPRR's Designated Representative to proceed with the work.

1.15 CONSTRUCTION AND AS-BUILT SUBMITTALS

A. Submittals are required for construction materials and procedures as outlined below. The submittals shall include all review comments from the Agency and the Engineer of Record. All design submittals shall be stamped and signed by a Professional Engineer registered in the State of Arizona.

B. The tables below provide UPRR's minimum submittal requirements for the construction items noted. Submittal requirements are in addition to those specified elsewhere in these bid documents. The minimum review times indicated below represent UPRR's requirements only. The Contractor shall allow additional time for the Agency's review time as stated elsewhere in these bid documents.

C. Submittals shall be made by the Agency to the UPRR Manager of Industry and Public Projects unless otherwise directed by the Railroad. Items in Table 1 shall be submitted for both railroad overpass and underpass projects, as applicable. Items in Table 2 shall be submitted for railroad underpass projects only.

0 TABLE 1

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	DESCRIPTION	SETS REQD.	UPRR's Minimum Review Time
1	Shoring design and details	4	4 weeks
2	Article II. <u>Falsework design and details</u>	4	4 weeks
3	Drainage design provisions	4	4 weeks
4	Erection diagrams and sequence	4	4 weeks
5	Demolition diagram and sequence	4	4 weeks

Prior to or during construction of railroad underpass structures, the UPRR requires the review of drawings, reports, test data and material data sheets to determine compliance with the specifications. Product information for items noted in Table 2 be submitted to UPRR's Designated Representative through the Agency for their own review and approval of the material. The signed submittal and the Agency's review comments will be reviewed by UPRR or their consultant. If a consultant performs the reviews, the consultant may reply directly to the Agency or its Designated Representative after consultation with UPRR. Review of the submittals will not be conducted until after review by the Agency or its Designated Representative. Review of the submittal items will require a minimum of four (4) weeks after receipt from the Agency.

TABLE 2

ITEM	DESCRIPTION	SETS REQD.	NOTES
1	Shop drawings	4	Steel and Concrete members
2	Article III. <u>Bearings</u>	4	For all structures
3	Concrete Mix Designs	4	For all structures
4	Rebar & Strand certifications	4	For superstructure only
5	28 day concrete strength	4	For superstructure only
6	Waterproofing material certifications and installation procedure	4	Waterproofing & protective boards
7	Structural steel certifications	4	All fracture critical members & other members requiring improved notch toughness
8	Fabrication and Test reports	4	All fracture critical members & other members requiring improved notch toughness
9	Welding Procedures and Welder Certification	4	AWS requirements
10	Foundation Construction Reports	4	Pile driving, drilled shaft construction, bearing pressure test reports for spread footings
11	Compaction testing reports for backfill at abutments	4	Must meet 95% maximum dry density, Modified Proctor ASTM D1557

D. As-Built Records shall be submitted to the UPRR within 60 days of completion of the structures. These records shall consist of the following items:

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Overpass Projects

1. Electronic files of all structure design drawings with as-constructed modifications shown, in Microstation J or Acrobat .PDF format.
2. Hard copies of all structure design drawings with as-constructed modifications shown.

Underpass Projects

1. Electronic files of all structure design drawings with as-constructed modifications shown, in Microstation SE or Acrobat .PDF format.
2. Hard copies of all structure design drawings with as-constructed modifications shown.
3. Final approved copies of shop drawings for concrete and steel members.
4. Foundation Construction Reports
5. Compaction testing reports for backfill at abutments

1.16 APPROVAL OF DETAILS

The details of the construction affecting the UPRR tracks and property not already included in the Contract Plans shall be submitted to UPRR's Designated Representative through the Agency for UPRR's review and written approval before such work is undertaken. Review and approval of these submittals will require a minimum of four (4) weeks in addition to the Agency's review time as stated elsewhere in these bid documents.

1.17 MAINTENANCE OF RAILROAD FACILITIES

A. The Contractor shall be required to maintain all ditches and drainage structures free of silt or other obstructions which may result from Contractor's operations; to promptly repair eroded areas within UPRR's right of way and to repair any other damage to the property of UPRR, or its tenants.

B. All such maintenance and repair of damages due to the Contractor's operations shall be done at the Contractor's expense.

C. The Contractor must submit a proposed method of erosion control and have the method reviewed by the UPRR prior to beginning any grading on the Project Site. Erosion control methods must comply with all applicable local, state and federal regulations.

1.18 SITE INSPECTIONS BY UPRR's DESIGNATED REPRESENTATIVE

A. In addition to the office reviews of construction submittals, site inspections may be performed by UPRR's Designated Representative at significant points during construction, including the following if applicable:

1. Pre-construction meetings.
2. Pile driving/drilling of caissons or drilled shafts.
3. Reinforcement and concrete placement for railroad bridge substructure and/or superstructure.
4. Erection of precast concrete or steel bridge superstructure.
5. Placement of waterproofing (prior to placing ballast on bridge deck).
6. Completion of the bridge structure.

B. Site inspection is not limited to the milestone events listed above. Site visits to check progress of the work may be performed at any time throughout the construction as deemed necessary by UPRR.

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C. A detailed construction schedule, including the proposed temporary horizontal and vertical clearances and construction sequence for all work to be performed, shall be provided to the Agency for submittal to UPRR's Designated Representative for review prior to commencement of work. This schedule shall also include the anticipated dates when the above listed events will occur. This schedule shall be updated for the above listed events as necessary, but at least monthly so that site visits may be scheduled.

1.19 UPRR REPRESENTATIVES

A. UPRR representatives, conductors, flag person or watch person will be provided by UPRR at expense of the Agency or Contractor (as stated elsewhere in these bid documents) to protect UPRR facilities, property and movements of its trains or engines. In general, UPRR will furnish such personnel or other protective services as follows:

B. When any part of any equipment is standing or being operated within 25 feet, measured horizontally, from centerline of any track on which trains may operate, or when any object is off the ground and any dimension thereof could extend inside the 25 foot limit, or when any erection or construction activities are in progress within such limits, regardless of elevation above or below track.

C. For any excavation below elevation of track subgrade if, in the opinion of UPRR's Designated Representative, track or other UPRR facilities may be subject to settlement or movement.

D. During any clearing, grubbing, excavation or grading in proximity to UPRR facilities, which, in the opinion of UPRR's Designated Representative, may endanger UPRR facilities or operations.

E. During any contractor's operations when, in the opinion of UPRR's Designated Representative, UPRR facilities, including, but not limited to, tracks, buildings, signals, wire lines, or pipe lines, may be endangered.

F. The Contractor shall arrange with the UPRR Designated Representative to provide the adequate number of flag persons to accomplish the work.

1.20 WALKWAYS REQUIRED

Along the outer side of each exterior track of multiple operated track, and on each side of single operated track, an unobstructed continuous space suitable for trainman's use in walking along trains, extending to a line not less than twelve feet (12') from centerline of track, shall be maintained. Any temporary impediments to walkways and track drainage encroachments or obstructions allowed during work hours while UPRR's flagman service is provided shall be removed before the close of each work day. Walkways with railings shall be constructed by Contractor over open excavation areas when in close proximity of track, and railings shall not be closer than 8' - 6" horizontally from center line of tangent track or 9' - 6" horizontal from curved track.

1.21 COMMUNICATIONS AND SIGNAL LINES

If required, UPRR will rearrange its communications and signal lines, its grade crossing warning devices, train signals and tracks, and facilities that are in use and maintained by UPRR's forces in connection with its operation at expense of the Agency. This work by UPRR will be done by its own forces and it is not a part of the Work under this Contract.

1.22 TRAFFIC CONTROL

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Contractor's operations that control traffic across or around UPRR facilities shall be coordinated with and approved by the UPRR's Designated Representative.

1.23 CONSTRUCTION EXCAVATIONS

- A. The Contractor shall be required to take special precaution and care in connection with excavating and shoring. Excavations for construction of footings, piers, columns, walls or other facilities that require shoring shall comply with requirements of OSHA, AREMA and UPRR "Guidelines for Temporary Shoring".
- B. The Contractor shall contact UPRR's "Call Before Your Dig" at least 48 hours prior to commencing work at 1-800-336-9193 during normal business hours (6:30 a.m. to 8:00 p.m. central time, Monday through Friday, except holidays - also a 24 hour, 7 day a week number for emergency calls) to determine location of fiber optics. If a telecommunications system is buried anywhere on or near UPRR property, the Contractor will co-ordinate with UPRR and the Telecommunication Company(ies) to arrange for relocation or other protection of the system prior to beginning any work on or near UPRR property.

1.24 RAILROAD FLAGGING

Performance of any work by the Contractor in which person(s) or equipment will be within twenty-five (25) feet of any track, or will be near enough to any track that any equipment extension (such as, but not limited to, a crane boom) will reach within twenty-five (25) feet of any track, may require railroad flagging services or other protective measures. Contractor shall give the advance notice to the UPRR as required in the "Contractor's Right of Entry Agreement" before commencing any such work, so that the UPRR may determine the need for flagging or other protective measures to ensure the safety of the railroad's operations. Contractor shall comply with all other requirements regarding flagging services covered by the "Contractor's Right of Entry Agreement". Any costs associated with failure to abide by these requirements will be borne by the Contractor.

The estimated pay rate for each flag person is \$1000.00 per day for a 10 hour work day with time and one-half for overtime, Saturdays, Sundays; double time and one-half for holidays. Flagging rates are set by the UPRR and are subject to change.

1.25 CLEANING OF RIGHT-OF-WAY

Contractor shall, upon completion of the work to be performed by Contractor upon the premises, over or beneath the tracks of UPRR, promptly remove from the right-of-way of UPRR all of Contractor's tools, implements, and other materials whether brought upon the right-of-way by Contractor or any subcontractors, employee or agent of Contractor or of any subcontractor, and leave the right-of-way in a clean and presentable condition to satisfaction of UPRR.

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July 11, 2008

Aziz Aman, P.E.
Manager Industrial and Public Projects
Union Pacific Railroad
1301 E. Harrison
Phoenix, AZ 85034

Re: Twin Peaks Interchange – permanent closure of Camino De Mañana crossing

Dear Mr. Aman:

The Town of Marana's Twin Peaks interchange project is immediately north of the existing public at-grade rail crossing for Camino De Mañana. As part of this project, Twin Peaks will become a full interchange with Interstate 10 and provide a grade separation with the railroad. It has always been the Town's intent that Twin Peaks will replace the Camino de Mañana crossing for capacity and safety reasons. As such, please let this letter serve as the Town's notice and confirmation that the Town of Marana will be bringing forward a resolution that authorizes and directs the permanent closure of the Camino de Mañana public at-grade rail crossing located a Union Pacific milepost 970.23, DOT No. 741 097U as set forth in this letter.

The permanent closure of the crossing will be proposed to occur at the beginning of the second phase of construction (the phase at which the westbound frontage road of I-10 will be closed to public traffic). The Town would reserve the use of the rail crossing for the sole purpose of permitting the contractor hired by the State of Arizona, Department of Transportation (ADOT) to move construction equipment over the crossing during its construction of the Twin Peaks interchange. Notwithstanding the temporary and restricted use of the crossing during the Twin Peaks interchange construction, the proposed Resolution will direct that the right of way be abandoned and the crossing be permanently closed to all vehicular traffic (both construction use and general public use) upon completion of the Twin Peaks interchange project.

The Town will be sending you and ADOT a copy of the signed Resolution. Taking into account a likely bid date of the project and a 300 day first phase of construction, it is estimated that the crossing could be taken out of general public service in the 4th quarter of calendar year 2009.

Sincerely,


Ed Honea
Mayor

EXHIBIT I
AGREEMENT 3037-07-UPRR
UPRR FOLDER NUMBER 2488-96